Software Developers Conference

Due to the Earthquake that hit the D.C. area, on Tuesday August 23, 2011 we have rescheduled the Software Developers Conference Webinar for **Wednesday, August 31, 2011 from 9:00a.m. – 5:00p.m. EST.**

We heard you loud and clear! Due to popular demand, the 2011 Federal Student Aid Software Developers Conference will be on **Wednesday, August 31, 2011.**

Leveraging technology this year's conference will be in a Webinar format from 9:00AM-5:00PM.

Objective of the Conference Webinar:

This daylong conference is sponsored by FSA's Technology Office and is designed for software developers, their customers and institutions that develop their own software for financial aid processing. The objective of the conference is to provide information on enhancements to the systems that enable Title IV financial aid delivery.

The day's activities will begin with an overview of FSA's new office of Customer Experience followed by sessions on FSA Systems enhancements, Personal Identifiable Information (PII) data protection and a discussion on Master Clauses.

We will review updates to COD, DMCS/DLSS, FAFSA and NSLDS. Sessions will stress the need to protect Personally Identifiable Information (PII) and to improve the overall security posture. The NSLDS session will focus primarily on new capabilities to report data to support Gainful Employment regulations, recent reporting capabilities added for schools to manage their portfolios and delinquencies, anticipated changes to transfer monitoring and prescreening processes for 2012/2013 cycle, and changes to exit counseling tools.

Who should attend?

Software Developers, Chief Information Officers, VP/ Directors of Information Technology, Chief Information Security Officer, and Directors of Quality Assurance.

Once again we look forward to having you join the 2011 Federal Student Aid Software Developers Webinar Conference.

If you have any questions please contact us at 202-377-3633, send an email to **fsaconferences@ed.gov.**

Federal Student Aid
Software Developer's Webinar Conference
Wednesday, August 31, 2011

Agenda

	Activity
9:00 a.m. - 9:10 a.m.	**Opening Remarks:**
9:10 a.m. - 9:30 a.m.	**Morning Keynote Address:** The Customer Experience (CE) overview will describe Federal Student Aid's (FSA) coordinated focus on student and borrower needs, service experience, and satisfaction. The CE group represents the first-ever attempt to formalize customer-centric work in government. Highlights will include a snapshot of customer populations, their needs, FSA products and services available to meet those needs, and key initiatives underway.
9:30 a.m. - 9:45 a.m.	**Budget - Act of 2011:** This session will address the two recent changes to the Direct Loan Program: • Loss of Eligibility for Subsidized Loans for Graduate and Professional and Students • Termination of Direct Loan Borrower Repayment Incentives
9:45 a.m. - 10:30 a.m.	**COD:** This session will review processing and technical updates to the COD System for Direct Loans, Pell Grants, ACG/SMART close out, TEACH Grants, and the Iraq and Afghanistan Service Grants. This session will also focus on what is ahead operationally for the 2012-2013 COD System.
10:30 a.m. - 10:40 a.m.	*Stretch/Break*
10:40 a.m. - 11:40 a.m.	**Gainful Employment:** This session will cover the recently published gainful employment regulations with particular emphasis on the reporting requirements and the program eligibility metrics.
11:40 a.m. - 12:30 p.m.	**Business Operations Update:** This session will provide an informational update on current business initiatives underway. Information will be shared on Not-for-Profits, Title IV Servicers, Total Permanent Disability, and Debt Management Collections service. Additional topics include, Social Security Administration SSN Randomization, 1099 Reporting and Public Student Loan Forgiveness.
12:30 p.m. - 1:15 p.m.	*Lunch - On Own*
1:15 p.m. - 1:45 p.m.	**Afternoon Keynote Address:** *FSA State of the Union*
1:45 p.m. - 2:15 p.m.	**Data and Information Protection of PII:** It is imperative for institutions of higher education to protect Personally Identifiable Information (PII). This session will focus on our shared responsibility for cybersecurity and Two-Factor Authentication (TFA) initiative.
2:15 p.m. - 3:20 p.m.	**NSLDS:** Update Session: This session will focus primarily on the capabilities to report data to support Gainful Employment regulations, recent reporting capabilities added for schools to manage their portfolios and delinquencies, anticipated changes to transfer monitoring and pre-screening processes for 2012-2013 cycle, and changes to exit counseling tools.
3:20 p.m. - 3:30 p.m.	*Stretch/Break*
3:30 p.m. - 4:15 p.m.	**FAFSA & CPS:** The CPS Update will provide information to programmers and data processing staff about the 2012-2013 changes for Institutional Student Information Records (ISIRs) record layouts, edits, and reject messages that are applicable for electronic FAFSA records and corrections.
4:15 p.m. - 4:45 p.m.	**Mandatory Contract Requirements:** The Technology Office's IT Standards session will review the new "Mandatory Contract Requirements" and online IT Standards Library for those who would like to do business with Federal Student Aid. This document and website defines the comprehensive set of contractual IT requirements that the Technology Office will include in each new IT contract.
4:45 p.m. - 5:00 p.m.	**Closing Remarks**

Software Developers Webinar Conference

Wednesday August 31, 2011

Agenda and Presentation Order

	Activity	Presenters
9:00 a.m. - 9:10 a.m.	**Opening Remarks**	Richard Gordon
9:10 a.m. - 9:30 a.m.	**Morning Keynote Address:** The Customer Experience	Brenda Wensil
9:30 a.m. - 9:45 a.m.	**Budget - Act of 2011**	Jeff Baker
9:45 a.m. - 10:30 a.m.	**Common Origination Disbursement (COD)**	Wendy Jerreld / Daniel Sullivan
10:30 a.m. - 10:40 a.m.	*Morning Stretch Break*	
10:40 a.m. - 11:40 a.m.	**Gainful Employment**	Jeff Baker
11:40 a.m. - 12:30 p.m.	**Business Operations Update**	Glenn Kirksey
12:30 p.m. - 1:15 p.m.	*Lunch - Break*	
1:15 p.m. - 1:45 p.m.	**Afternoon Keynote Address:** *FSA State of the Union*	Susan Szabo
1:45 p.m. - 2:15 p.m.	**Data and Information Protection of PII and Two Factor Authentication**	Robert Ingwalson / Steven Burke
2:15 p.m. - 3:20 p.m.	**National Student Loan Data System (NSLDS)**	Ron Bennett/Eric Hardy
3:20 p.m. - 3:30 p.m.	*Afternoon Stretch/Break*	
3:30 p.m. - 4:15 p.m.	**Central Processing System (CPS) and FAFSA Update**	Ginger Klock / Jody Sears
4:15 p.m. - 4:45 p.m.	**Mandatory Contract Requirements**	Consuela Ginn/Jim Robins
4:45 p.m. - 5:00 p.m.	**Closing Remarks**	Richard Gordon/ Bridget-Anne Hampden

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Richard J. Gordon

Chief Information Officer

Federal Student Aid

U.S. Department of Education

Brenda Wensil

Chief Customer Experience Officer

Federal Student Aid

U.S. Department of Education

Customer Experience Office

- FSA Mission/Vision

  - To be the most trusted and reliable source of student financial aid, information and services in the nation.

  - Integrity. Customer Service. Excellence. Respect. Stewardship. Teamwork.

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Customer Experience Office

- Customer Experience Purpose/Objectives

  - Responsible for identifying, measuring and reporting customer expectations and satisfaction with federal financial services and products offered by FSA

  - Understand customer needs and meet/exceed their expectations, and provide information to students and borrowers who could be recipients of federal student aid.

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Customer Experience Office

- Five Objectives

  - Take a data-driven approach to better understand our students and borrowers

  - Reach out to potential students, especially nontraditional students

  - Aggregate and distribute information on the costs and benefits of higher education

  - Identify students for whom financial assistance can make a difference

  - Enhance customer-facing processes to improve the customer experience

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"By 2020, America will once again have the highest proportion of college graduates in the world."

"Create and support opportunities for every American to commit to at least one year of higher education or advanced training in his/her lifetime."

- Increase the percentage of Americans attaining a college degree from 40% to 60% by 2020

- Represents approximately 8 million new college graduates in the next 10 years

- Represents an additional 5 million community college graduates in the next 10 years of which:
  - 70%- 3.5 million from Adult Learners
  - 30%- 1.5 million from High School graduates

Source: NCHEMS

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Customer Experience Organization

- Student/Borrower Experience Group
- School Experience Group – including small and under resourced schools
- Customer Analytics
- Consumer Protection Group
- Ombudsman

Source: NCHEMS

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Employment Differences

The woman who went to college can expect to spend less time unemployed and more time earning a higher salary.

Median Earnings of Full-Time Year-Round Workers Ages 25–34, by Race/Ethnicity, Gender, and Education Level, 2008
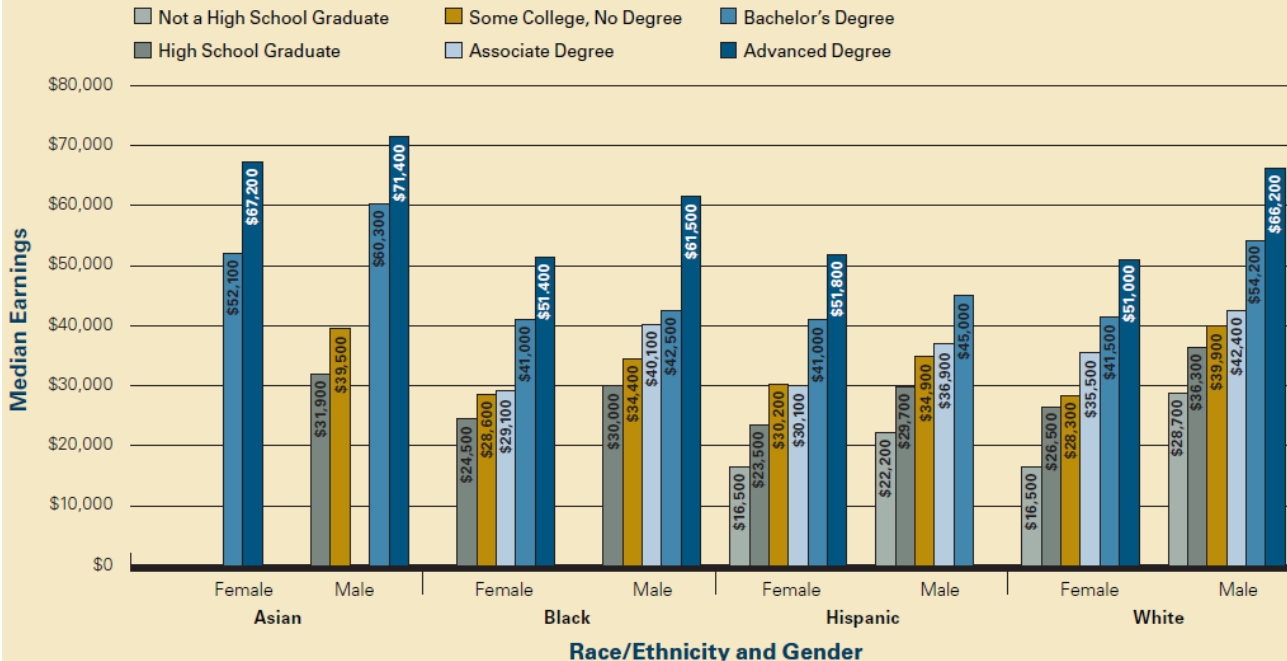
Sources: U.S. Census Bureau, 2009; calculations by the authors.

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The differences between these two women are employment benefits that extend beyond their salary the first day on the job:

- Employer-provided health insurance
- Pension plan opportunity and participation
- Making up for missed workforce participation

Estimated Cumulative Earnings Net of Loan Repayment for Tuition and Fees, by Education Level

Legend: High School Graduate | Associate Degree | Bachelor's Degree

Y-axis: Cumulative Net Earnings — $0, $200,000, $400,000, $600,000, $800,000, $1,000,000, $1,200,000

X-axis: Age — 18, 20, 22, 24, 26, 28, 30, 32, 34, 36, 38, 40, 42, 44, 46, 48, 50, 52, 54, 56, 58, 60, 62, 64
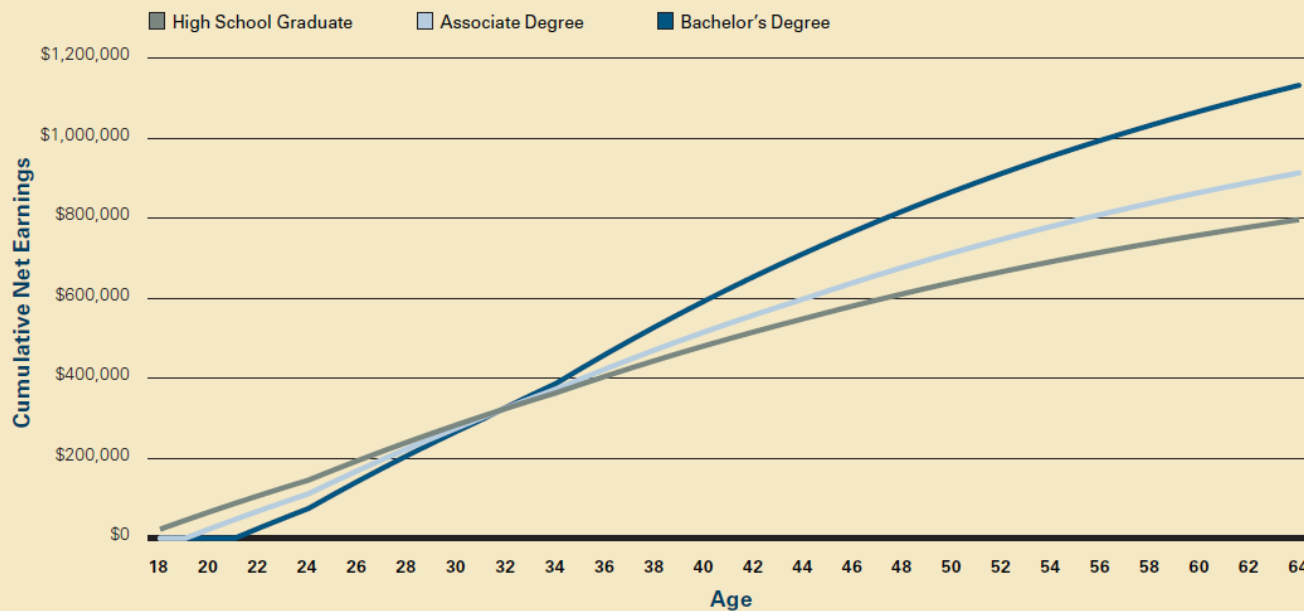
Sources: U.S. Census Bureau, 2009; The College Board, 2009; calculations by the authors.

When compared to the woman given the opportunity to attend and complete college, the high school graduate appears predisposed to several health problems.

Exercise Rates Among Individuals Ages 25 and Older, by Age and Education Level, 2008
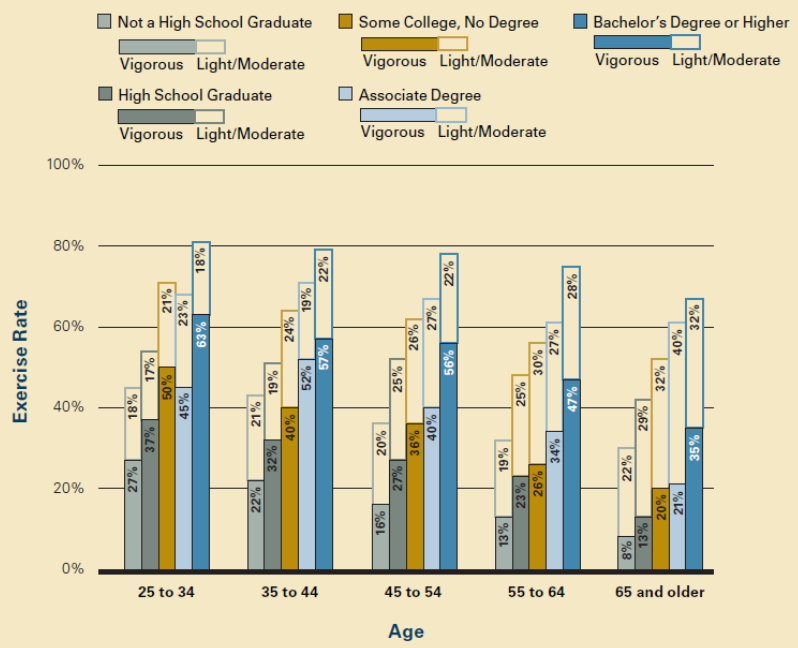
Sources: National Center for Health Statistics, 2008; calculations by the authors.

Obesity Rates Among Adults Ages 25 and Older, by Age and Education Level, 2008
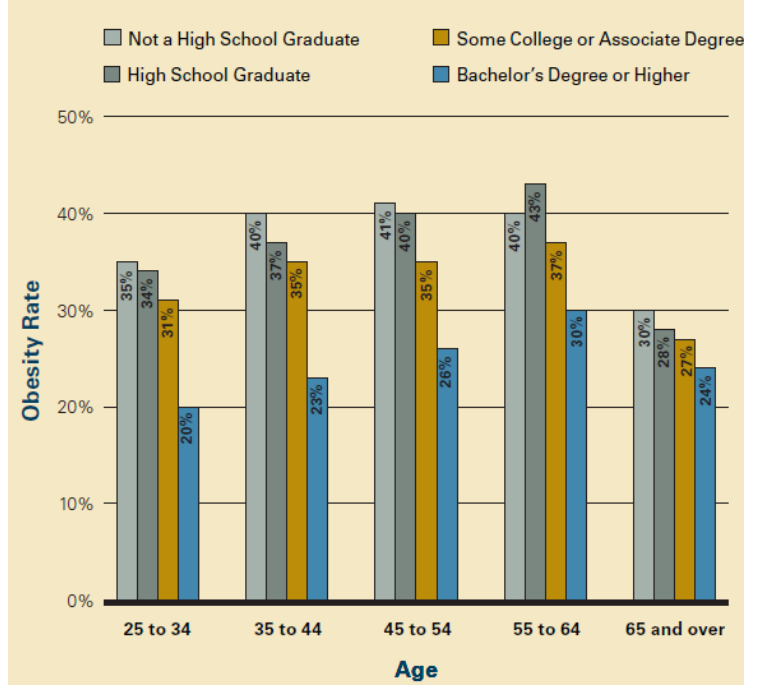
Sources: National Center for Health Statistics, 2008; calculations by the authors.

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If both women decide to start a family, evidence shows the child of the college graduate has a much brighter future…

Low-Birth-Weight Rates Among Babies Born to Mothers Ages 20 and Older, by Race/Ethnicity and Mother's Education Level, 2006
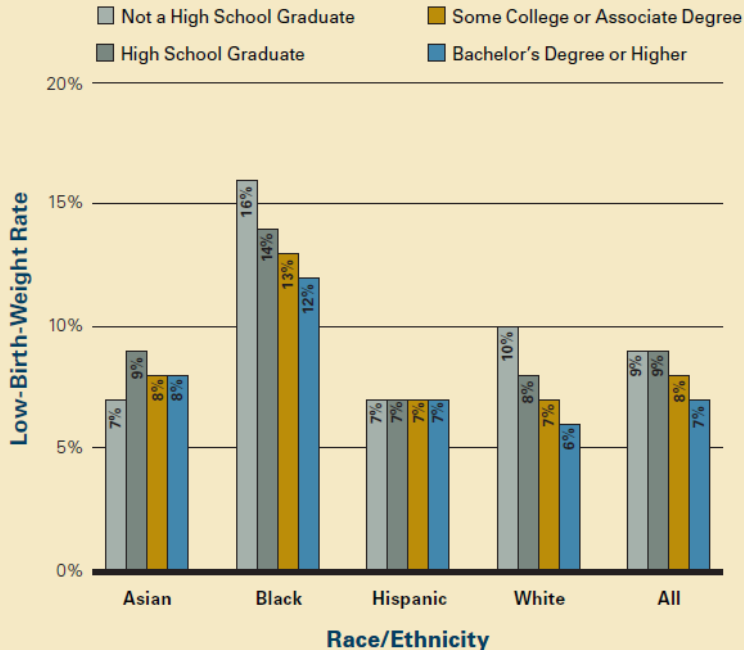
Source: National Center for Health Statistics, 2009, Table 12.

School Readiness of Preschool Children Ages 3–5, by Parents' Highest Education Level, 2007
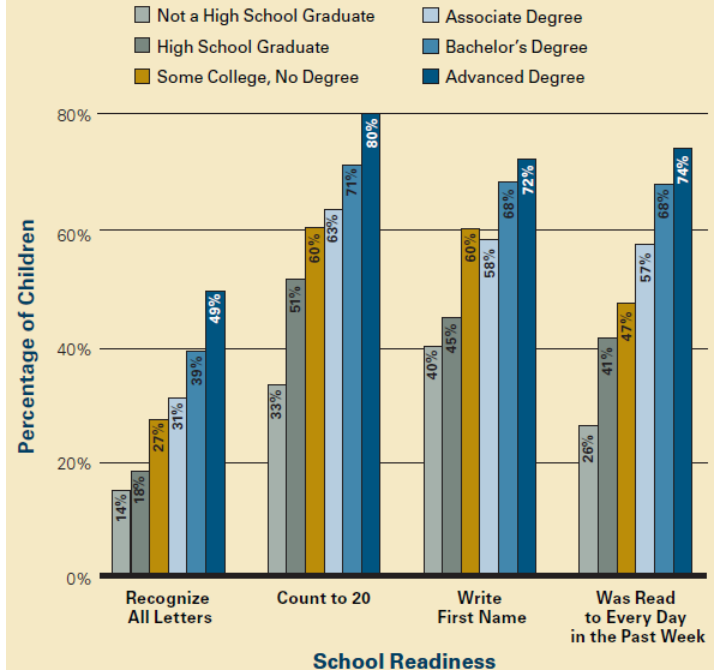
Sources: National Center for Education Statistics, 2007; calculations by the authors.

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Because of her higher salary, the woman who was able to receive her Bachelor's Degree contributes more through taxes, and is less likely to be incarcerated or rely on government-funded programs.

Estimated Reductions in Lifetime Public Expenditures per Person Associated with Increases in Educational Attainment, in 2010 Dollars

Legend:
- Reduction in Social Program Spending for Person with Some College Compared to a High School Diploma
- Reduction in Incarceration Spending for Person with Some College Compared to a High School Diploma
- Reduction in Social Program Spending for Person with a Bachelor's Degree Compared to Some College
- Reduction in Incarceration Spending for Person with a Bachelor's Degree Compared to Some College

White
- Male: $10,900 | $10,900 | $10,900 | $3,600 — $36,300
- Female: $14,500 | $1,200 | $16,900 — $32,600

Asian
- Male: $15,700 | $18,100 | $18,100 | $7,300 — $59,200
- Female: $16,900 | $26,600 — $43,500

Black
- Male: $16,900 | $55,600 | $18,100 | $18,100 — $108,700
- Female: $26,600 | $3,600 | $38,700 | $1,200 — $70,100

Hispanic
- Male: $12,100 | $30,200 | $12,100 | $7,300 — $61,700
- Female: $18,100 | $2,400 | $26,600 | $1,200 — $48,300

X-axis: Reductions in Per-Person Public Expenditures ($0, $20,000, $40,000, $60,000, $80,000, $100,000, $120,000)

Y-axis: Race/Ethnicity and Gender

Sources: Carroll and Erkut, 2009; calculations by the authors.

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Figure 2. Award year-to-date comparison scorecard

Data Element	Base Year	Comparison	Trend
Award Year	2010-2011	2011-2012	
Apps Processed	15,160,060	16,132,531	6.4% ↗
Student Age			
Age <= 18	1,510,788	1,582,631	4.8% ↗
Age 19–24	7,433,889	7,947,963	6.9% ↗
Age >=25	6,215,383	6,601,937	6.2% ↗
Income Level			
<=$41,000	10,548,593	11,049,126	4.7% ↗
>$41,000	4,611,467	5,083,405	10.2% ↑

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ATTRACT

- Prioritize the right students and parents

  - Between 2007 and 2018, enrollment of Hispanic students is expected to increase 38%, compared to 4% for whites, 26% for blacks, 29% for Asian-Pacific Islanders, 32% for American Indian/Alaska Natives and 14% for non-resident aliens.

  - The post-secondary enrollment rate for Latino high school completers between 18-24 years of age was the lowest at 37%. (40% for blacks, 49% for whites)

  - FAFSA submission in 2011 has increased by 12% for families with an income greater than $41,000, but only 8% for families with an income under $41,000.

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Focus on Customer Needs

ENROLL

- Make it easier to file for aid
    - FAFSA completion is key to federal, state and institutional aid eligibility
        - 90% of FAFSA filers enter post secondary education in the following academic year.
        - 45% increase in aid applicants since 2007/2008 school year.

RETAIN

- Protect students from default
    - Current default rate is 8.9%, an increase of nearly 2% and resulting in nearly 90,000 more borrowers in default over 2010 2-year default rate.
    - Students at for-profit colleges account for approximately 10% of the nation's college enrollments, and 47% of defaults.
    - Defaults have a high unity operating cost compared to other parts of the student lifecycle.
    - A 1% decrease in defaults represents a $34 million decrease in operating costs for FSA.

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ATTRACT

- Data-driven approach
  - Segmenting customers for prioritized focus

- Strategy focused on students and borrowers

- Strategy focused on institutions of higher education

Key Initiatives Underway

ENROLL

- Awareness and Outreach efforts targeting market opportunities and leveraging state educational structures.

- FAFSA enhancements make it faster and easier than ever before to apply for aid.
  - 11/12 completion time is 24 minutes.
  - 25% decrease from 10/11 completion time.
  - Questions reduced by 30%.
  - IRS retrieval has been very successful.

- Integrated Student View.

RETAIN

- Customer Listening and Experience Program
- Consumer Protection

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One Student at a Time

"It was surprisingly easy to apply for aid and helpful to know how much aid I may possibly receive. I thought I would be intimidated at first with applying, but it was really easy and to know that I might actually get it, is even more encouraging. Even if it's with a loan, I just really always wanted to get my degree but never ever thought I could afford to go to school with having kids.
Thanks so much for helping to make my dream possible."

– www.college.gov – (for those just getting started)
– www.studentaid.ed.gov – (for those who know what they want)
– www.fafsa.gov – apply online for aid
– www.studentaid.ed.gov/military – (for veterans)
– 1-800-4-Fed-Aid – (to speak to an expert)

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Questions and Answers

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Next Session: Budget Act 2011

To begin at 9:30AM

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Budget Act 2011

Presenter

Jeff Baker

- On August 2, 2011, President Obama signed into law the Budget Control Act (BCA) of 2011 (Pub. L. 12-025). Act makes two changes to the Direct Loan Program:

  - Loss of Eligibility for Subsidized Loans for Graduate and Professional Students.

  - Termination of Direct Loan Borrower Repayment Incentives.

Loss of Eligibility for Subsidized Loans

- Effective for loans made for loan periods beginning on or after July 1, 2011.

- Subsidized Loans for loan periods beginning before July 1, 2012 remain unchanged, including the provisions that borrowers of those loans will continue not to be responsible for accrued interest while they are enrolled at least halftime or are in a deferment status.

- Annual and aggregate loan limits for graduate and professional students remain unchanged. Graduate and professional students may borrow up to $20,500 annually, up to an aggregate of $138,500, with no more than $65,500 being subsidized.

- The higher annual and aggregate amounts for students enrolled in certain health professions programs also have not changed.

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- Borrowers who are receiving Direct Loans for preparatory coursework necessary for admission into either an undergraduate program or a graduate or professional program, or for those enrolled in coursework necessary for teacher certification or recertification remain eligible for both subsidized and unsubsidized loans.

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Termination of Direct Loan Repayment Incentives

- The BCA terminates the authority for any repayment incentives to encourage on-time repayment of loans.

  - Effective for loans first disbursed on or after July 1, 2012.

  - Includes reductions to interest rates or to the origination fee.

  - Law continues to allow interest rate reduction to borrowers who agree to have payments automatically electronically debited from a bank account.

Additional Information

- Dear Colleague Letter in Departmental clearance.

- Operational materials to follow.

- If you have questions send an email to:

jeff.baker@ed.gov

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Questions and Answers

Next Session:
Common Origination Disbursement (COD)

To begin at 9:45AM

Common Origination Disbursement (COD)
System Update

Dan Sullivan

Wendy Jerreld

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Agenda

Grants COD Update

- COD Release 10.0 Grant Recap
- COD Release 11.0 Grant Update
- Grant Processing Reminders

Direct Loans COD Update

- COD Release 10.0 & 10.1 Direct Loans Recap
- COD Release 10.2 Direct Loan Update
- COD Release 11.0 Direct Loan Update
- Direct Loan Processing Reminders

COD Technical Reference Updates

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COD Release 10.0 Grant Recap

With Release 10.0, the COD System implemented the following functionality on February 18, 2011:

- Capability for schools to report Ability to Benefit for Pell, DL, and TEACH

- Cessation of ACG and SMART

- Removal of Two Pells in an award year for 2011-2012 and forward

- No Initial Authorization for Pell Grant Program

COD Release 10.0 Grant Recap
Cessation of ACG and SMART

Starting with the 2011-2012 award year, no funding will be available for ACG or National SMART

- Will continue to process for prior award years

Date	Cessation of ACG and SMART Grant Processing Events
9/30/2011	Deadline for Processing 06-07 ACG and SMART Grants
9/30/2012	Deadline for Processing 07-08 ACG and SMART Grants
9/30/2013	Deadline for Processing 08-09 ACG and SMART Grants
9/30/2015	Deadline for Processing 09-10 ACG and SMART Grants
9/30/2016	Deadline for Processing 10-11 ACG and SMART Grants

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COD Release 10.0 Grant Recap
Removal of Two Pells in an Award Year

Due to new legislation*, the ability to award two Pells in an award year was removed from the COD System.

- 2011-2012 award year and forward
- COD no longer accepts the <AdditionalEligibilityIndicator> field with value of "true" within the Pell Award Block
- General Edit 995 corrects Pell originations or maintenance with an AEI value of "true"
  - For Correcting Schools, the logic changes the AEI value to "false" and may reduce the award amount to the student's SFPG (Scheduled Federal Pell Grant)

- General Edit 996 rejects Pell originations or maintenance with an AEI value of "true" for non-Correcting Schools

Department of Defense and Full-Year Continuing Appropriations Act, 2011 (P. L. 112-10), Enacted 4/15/2011

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COD Release 10.0 Grant Recap
No Initial Authorization for Pell Awards

Beginning with the 2011-2012 award year, the COD System no longer system generates Initial Authorizations for the Pell Grant Program. Pell Grant Funding is provided on a "records first" basis for all institutions.

- Schools will not receive an authorization until COD accepts disbursement records

- COD will update the school's Current Funding Level (CFL) once the COD System has accepted and posted actual disbursement records for that award year

- An Electronic Statement of Account will be sent to a school each time its Pell Grant CFL amount changes

COD Release 11.0 Grant Update

With Release 11.0, the COD System will implement the following functionality in Spring 2012:

- New award year setup for 2012-2013
- Addition of an Enrollment School Code tag
- Collect software providers through new batch level tags in common record XML submissions

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COD Release 11.0 Grant Update
Enrollment School Code Tag

Starting with the 2012-2013 Award Year, COD will begin to collect an <EnrollmentSchoolCode> tag for all award programs.

- Provides the physical location of the student for Enrollment Reporting and Delinquency Monitoring purposes

- Collected at the disbursement level

- Will be returned in the Common Record response (including Web and DLOT responses)

- Required value will be 8 digit, valid OPEID

Common Origination Disbursement (COD)

Grant Processing Reminders
Iraq & Afghanistan Service Grant Processing

IAS Grants can only be submitted through the COD Web

Web Responses will be returned to the schools

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Grant Processing Reminders
Top 5 Pell Edits for Award Year 2010-2011

Edit	Error Message	Pell Hits
74	Incorrect Adjustment to Disbursement Release Indicator	485,407
97	Disbursement amount would have been corrected to zero by COD calculations so the record was rejected	336,334
51	Disbursement Date With Disbursement Release Indicator Set to True Outside of Allowable Window	323,232
38	Student Not Pell Eligible	154,245
24	Reported CPS Transaction Number Does Not Match CPS	88,387
Total Top 5 Pell Reject Edits for 2010-2011		

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COD Release 10.0 & 10.1 Direct Loan Recap

With Release 10.0 and 10.1, the COD System implemented the following functionality:

- TIVAS added to the DL School Account Statement (SAS)
- New Entrance Counseling, PLUS Request, and MPN Reports
- New 3.0d schema tags are being sent on PLUS Application Acknowledgements
- FAFSA matching on PLUS Students

COD Release 10.2 Direct Loan Update

With Release 10.2, the COD System will implement an Actual Disbursement Listing Report on October 21, 2011:

- Display future dated actual disbursements

- Includes booked and unbooked actual disbursements

- Produced weekly

- Award Year specific starting with 2011-2012 Award Year and forward

- Message Class: DLADYYOP (where YY is equal to award year)

- Delivered via the COD Reporting Website in a school's Direct Loan newsbox and SAIG

  - o COD Reporting Website: CSV format only
  - o SAIG: Comma-delimited format only

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COD Release 11.0 Direct Loan Update

With Release 11.0, the COD System will implement the following functionality in Spring 2012:

- New award year setup for 2012-2013
- Addition of an Enrollment School Code tag
- New MPN status code of "E"
- Declined/pending PLUS award maintenance

COD Release 11.0 Direct Loan Update
New MPN Status Code of "E"

When a PLUS Award has linked to an MPN and an Endorser, a new value of "E" will be displayed in the <MPNStatusCode> tag.

- New value of "E" will be included in the COD 3.0e schema
- COD will return in the Common Record responses
- Starting with the 2012-2013 Award Year and forward
  - Value of 'I' will continue to be returned for Award Years 2011-2012 and prior.

COD Release 11.0 Direct Loan Update
Maintenance to Declined/Pended PLUS Awards

Starting with Release 11.0, the COD System will allow maintenance to Declined/Pended Direct Loan PLUS Awards.

- Maintenance can be performed on COD Web or via batch
- Users can update award, disbursement, and person fields
- The COD System will continue to reject Actual Disbursements for PLUS Awards with decline/pended status
- New credit check will be performed when a maintenance record is submitted for a declined/pended Parent or Grad PLUS award
  - Credit Check will use the borrower person identifier change field values (SSN, DOB, Last Name)

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Direct Loan Processing Reminders
MPN Print Codes

COD receives many, many print requests on incoming LORs.

- Substantial numbers of unnecessary paper MPNs are printed and mailed to borrowers
- Default for the COD Print Code should not be selected in the MPN Print Indicator

Tag	Value
S	COD Prints (Send to Borrower)
R	COD Prints (Return to School)
O	On-site (EDExpress)
F	On-site (Custom System)
Z	COD Reprint (Send to Borrower)
V	COD Reprints (Send to School) (valid only on Loan Origination Change records)

Direct Loan Processing Reminders
Top 5 Direct Loan Edits for Award Year 201-2011

Edit	Error Message	DL Hits
56 & 58	Sequence Number Not In Sequential Order Duplicate Disbursement Information On File	4,089,995
994	Missing Value	1,307,464
74	Incorrect Adjustment to Disbursement Release Indicator	1,092,932
81	No Promissory Note on File	533,090
42	New Award Type Submitted with a Zero Award Amount	435,587
Total Top 5 DL Reject Edits for 2010-2011		

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COD Technical Reference Updates

Date	Tech Ref Updates
September 2011	New 3.0e schema will be published on IFAP
November 2011	New 3.0e schema will be published in the COD Tech Ref
November 2011	New Business Rules will be published in the COD Tech Ref
Winter 2012	COD System will begin accepting the new 3.0e schema

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Contact Information

We appreciate your feedback and comments. We can be reached at:

Grants: Dan Sullivan
Phone: (202) 377- 3114
Email: daniel.sullivan@ed.gov

Direct Loans: Wendy Jerreld
 Phone: (202) 377- 4135
Email: wendy.jerreld@ed.gov

COD School Relations Center
URL: http://www.cod.ed.gov
Email: CODSupport@acs-inc.com
Phone - Grants: (800) 474-7268
Phone - Direct Loans: (800) 848-0978

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Questions and Answers

Morning Stretch Break

**Next Session:
Gainful Employment**

To begin at 10:40AM

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Gainful Employment

Presenter

Jeff Baker

Gainful Employment

- Gainful Employment Page on IFAP at: http://ifap.ed.gov/GainfulEmploymentInfo/ or from IFAP Homepage
    - Regulations
    - Dear Colleague Letters and Electronic Announcements
    - Frequently Asked Questions
    - Training, including webinars
    - Resources

- Proprietary institutions –
  - All programs, except for:
    - Programs leading to a baccalaureate degree in liberal arts offered since January 2009 that have been regionally accredited since October 2007.
    - Preparatory non-certificate coursework necessary for enrollment in an eligible program.

- Public institutions and not-for-profit institutions:
- All programs, except for:
  - Programs that lead to a degree;
  - Programs of at least two years in length that are designed to be fully transferable to a bachelor's degree program and that do not lead to a certificate awarded by the institution.
  - Preparatory non-certificate coursework necessary for enrollment in an eligible program.

Gainful Employment

- Two sets of Final Rules published on October 29, 2010, with effective dates of July 1, 2011:
  - Program Integrity – Including Gainful Employment
    - Disclosures
    - Reporting
  - Gainful Employment – New Programs
- Final Rules on metrics to define gainful employment published on June 13, 2011.

- A Gainful Employment program is identified by the:

  - 6 digit OPEID of the institution offering the program (8 digits for reporting);

  - 6 digit CIP Code (Classification of Instructional Program) assigned to the program by the institution; and

  - 2 digit Credential Level (See NSLDS Gainful Employment Users Guide)

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- Disclosure Information on Program's website home page:
    - Must be simple and meaningful.
    - Must contain direct links from any other webpage with general, academic or admission information about the program.
    - Must be in an open format that can be retrieved, downloaded, indexed, and searched by commonly used web search applications.

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- Disclose for each GE Program:
  - Occupations (by name and SOC code) that program prepares students to enter.
  - Program costs:
    - Tuition and fees, room and board, books and supplies. May include other costs.
  - Job placement rates for students completing the program.

- Disclose for each GE Program:
  - On-time completion rate -
    - Denominator - Number of students who completed program during most recently completed award year for which information is available
    - Numerator - Number of students who completed within normal time, as published by institution (not 150% of normal time)

- Disclose for each GE Program:
  - Median loan debt incurred by students who complete the program
    - Title IV loan debt (FFEL and Direct Loan only) – amount borrowed
    - Private educational loan debt – amount borrowed
    - Institutional finance plans – amount owed

- Institution must use disclosure form provided by the Department, when available
  - Not available by July 1, 2011
    - Institutions must comply with the disclosure requirements independently until form is available

- Must notify ED at least 90 days before the first day of class of a new Gainful Employment Program

    - If the first day of class is on or after July 1, 2011 and before October 1, 2011, notification was due by July 1, 2011.

    - If the first day of class is on or after October 1, 2011, institutions must provide notification to the Department at least 90 days prior to the first day of class.

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- If the institution did not provide the required notification by July 1, 2011, for programs beginning between July 1, 2011 and October 1, 2011, it must wait for Departmental approval before disbursing funds to students enrolled in the new GE Program.

- Approval is required if:
  - The institution is provisionally certified;
  - The institution is adding a Direct Assessment Program;
  - The institution is adding a Comprehensive Transition and Postsecondary (CTP) Program; or
  - The Department advises the institution that it must wait for approval.

- Institutions must annually report information about students enrolled in programs leading to gainful employment.

- General information on reporting was provided in the Dear Colleague Letter GEN-11-10.

- NSLDS GE Reporting Guide at - http://ifap.ed.gov/GainfulEmploymentInfo/index.html
  - Provides instructions for GE reporting
  - Provides file layout

Gainful Employment

- Regulations say institutions must report by October 1st for enrollments in the 2006-2007 through 2009-2010 award years.

- Federal Register dated August 2, 2011
    - November 15, 2011 for 2010-2011
    - Continue to accept reports for other award years

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FEDERAL STUDENT AID

- Institution must report information on students who were enrolled in a GE Program for each award year:

  - Student identifying information

  - Program identifying information

  - Amounts from private education loans and from institutional financing plans

  - Enrollment information

  - Tuition and Fees (Optional)

- Reporting is by:
  - Award Year
  - Student
  - GE Program
    - Institution (Six-digit OPEID)
    - CIP Code (See User Guide)
    - Credential Level (See User Guide)

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- A student may be reported more than once if:

    - Student enrolled in a GE Program at the school in more than one award year.

    - Student enrolled in more than one GE Program, even if in the same award year.

    - Student had multiple enrollments in the same GE Program in same award year.

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- For each student who enrolled in a GE Program during the award year
  - Social Security Number
  - First, middle and last name
  - Date of birth

- Use student's Social Security Administration information.

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- Private education loan information
  - Total amount of non-Title IV loan received to pay costs associated with attendance in the GE Program

- Institutional Financing Plan information
  - Would otherwise not be considered a private education loan but that results in a debt obligation that a student must pay to an institution <u>after</u> completing the program.

- Metrics final rule published on June 13, 2011:

  - Defines "gainful employment" to be when a substantial number of the GE Program's students:
    - Are repaying their Title IV loans –
      - Repayment Rate
    - Have a reasonable debt burden –
      - Debt to Earnings Ratios

- Cohorts of a GE Program's Former Students:

  - 2YP – The third and fourth fiscal year prior to the most recently completed calculation year
    - FY 2007 and FY 2008 for 2011 rates calculated in 2012
    - FY 2008 and FY 2009 for 2012 rates calculated in 2013

- Repayment Rate:
  - The GE Program's former students who entered repayment on Title IV loans in the 2YP

- Debt to Earnings Ratios:
  - The GE Program's former students who completed the program in the 2YP

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- ED calculates Repayment Rate as a percentage of the Title IV loan amounts that a GE Program's former students are repaying.

- ED calculates Debt to Earnings Ratios for the GE Program's completers, the median educational loan annual repayment amount as a proportion of the borrowers' average annual income.

Repayment Rate for a program use the following:

$$\frac{\text{OOPB of LPF plus OOPB of PML}}{\text{OOPB}}$$

- OOPB = Original Outstanding Principal Balance of FFEL and Direct Loans when entered repayment
- LPF   = Loans Paid in Full
- PML   = Payments-Made Loans (successful)

- A loan is successfully being repaid if:
  - Its balance is reduced by at least $1.00 over the course of the most recently completed fiscal year.
  - It has been paid in full.
  - It is on track to being forgiven due to public service employment.
  - The borrower is making payments under an interest-only or income-based repayment plan, but limited to no more than 3% of the OOPB.

- Example:

Former Student	OOPB
Student A	$ 2,000
Student B	3,000
Student C	5,000
Student D	10,000

- OOPB = $20,000 (total amount for all borrowers in 2YP)
- Only student D is successful in repaying
- Repayment rate = $10,000 / $20,000 = 50%

Gainful Employment

Debt-to-Earnings Ratio (Income)

$$\frac{\text{Median Annual Loan Payment Amount}}{\text{Mean or Median Annual Earnings}}$$

Debt-to-Earnings Ratio (Discretionary Income)

$$\frac{\text{Median Annual Loan Payment Amount}}{\text{Mean or Median Annual Earnings less 1.5 X poverty guideline}}$$

- SSA will provide the median and mean earnings of program graduates – ED will use greater value.

  - Schools can verify the lists of individuals submitted to SSA. However, the earnings data will be subject to SSA's strict protections on individual privacy.

- Calculating of the annual loan payment:
  - Uses the program's median loan debt:
    - Title IV
    - Private
    - Institutional
  - Amortized at 6.8% over:
    - 10 years for a certificate or AA program,
    - 15 years for a baccalaureate program, or
    - 20 years for a graduate program.

Gainful Employment

- A program must pass at least one of the three rates to be a Gainful Employment Program eligible for Title IV participation.

    - Repayment rate of at least 35%.
    - Debt-to-Earnings ratio of less than 12% of total earnings, or
    - Debt-to-Earnings ratio of less than 30% of discretionary income.

- A program is a failing program for a year if it does not meet ANY of the minimum standards.

- Upon first year as a failing program institution must:

  - Disclose to students and prospective students the amount by which the program did not meet the minimum standards and any plans for improvement; and

  - Establish a three-day waiting period before students can enroll.

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- Upon being a failing program for two years out of three, institution must tell students that:
  - Their debts may be unaffordable;
  - The program may lose eligibility; and
  - What transfer options exist.

- If a failing program for three of four years, program loses eligibility for Federal student aid.

- Failing programs do not lose eligibility immediately.

- Standards help programs raise performance.

- Analysis indicates that, with the opportunities for improvement it is estimated that:

  - Eight percent of programs will fail at least once.

  - Two percent of programs will ultimately lose eligibility.

Calendar

- Fall
  - School reporting
- Early Winter
  - Pre-Draft rosters for Debt-to Earnings Ratios
  - ED matches with SSA
- Late Winter
  - Draft rates calculated by ED
- Early Spring
  - Draft Rates and detail data released to schools

Calendar-continued

- Spring
  - School challenges –
    - Accuracy of Repayment Rate list of borrowers
    - Accuracy of loan data used for both measures
  - Summer
    - ED recalculates rates, if necessary
    - ED releases final measures

Calendar-continued

- First year (2011) rates are informational only
  - No Pre-Draft Rosters
  - No Draft Rates
  - No Challenges
  - Calculated in FY 2012
  - 2YP is FY 2007 and FY 2008

- 2012 rates calculated in 2013 are first official rates
  - Possible failing programs and sanctions

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Additional Information

- General Information:
  IFAP Website Gainful Employment Information Page

- Policy Questions: ge-questions@ed.gov

- Reporting Questions: nsldsge@ed.gov

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Questions and Answers

Next Session:
Business Operations Update

To begin at 11:40AM

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Business Operations Update

Glenn Kirksey

Software Developers Webinar Conference

August 24, 2011

Agenda

Upcoming Changes

- SSA SSN Randomization

- 1099 Reporting

- Public Student Loan Forgiveness

System/Services Updates

SSA SSN Randomization

- Starting June 25, 2011, SSA changed the method for assigning SSNs.

- Randomization will increase the number of SSNs for use AND will help reduce identity theft.

- Electronic Announcement posted to IFAP 6/23:

- http://www.ifap.ed.gov/eannouncements/062311SSNAssignmentChange.html

SSA SSN Randomization (continued)

- SSA now assigns SSNs randomly; no longer geographically assigned
- SSA's "High Group" list no longer updated
- Previously unused ranges will be opened up for use

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SSA SSN Randomization (continued)

- SSA will open up the following ranges to the general population:
  - SSNs beginning with '8' (entire range previously unused)
  - SSNs beginning with '7' (previously reserved for special groups; portion of range previously unavailable)
  - SSNs in previously unused "high group list" ranges (e.g. 734-749; 773-799)
  - SSA will continue NOT to issue SSNs beginning with '9', '666' or '000' in first 3 positions, "00" in positions 4-5, and "0000" in positions 6 – 9

Impacts

- FSA will be updating various systems such as FOTW, CPS, COD, and NSLDS - implementation 10/23/11.
  - Updating system edits (e.g. FOTW, CPS)
  - Performing one-time data conversion
- Updates to pseudo SSNs will flow to schools via existing SSN/Name/DOB Change Report
- COD Customer Service to contact any schools which have report turned OFF
- Schools to update SSNs, using new value in any future exchanges with FSA systems

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1099 Reporting

- As of 2011 tax reporting year Direct Loan Servicers and FSA's Debt Management and Collection servicer will provide 1099Cs for borrowers who received discharges for the following reasons:
  - (1) Death,
  - (2) Total and Permanent Disability as it relates to Veteran Disability write offs performed by servicers and does not include loans transferred to FSA's TPD servicer,
  - (3) Income Contingent Repayment/Income Based Repayment (ICR/IBR) maximum term and;
  - (4) Joint Consolidation Discharges for purposes of TPD

1099 Reporting (continued)

- Direct Loan Servicers and FSA's Default Management and Collection Servicer will not send 1099C to borrowers for amounts less than the IRS applicable reporting threshold (currently $600).

- 1099-Cs will be available to borrowers on the web and in paper.

Public Service Loan Forgiveness (PSLF)

- The College Cost Reduction and Access Act (CCRAA) of 2007 created a new Loan Forgiveness program for Direct Loan borrowers employed in certain public service jobs (defined in the regulations).

- Borrowers who make 120 payments during the time they are employed in public service jobs can have the balance of their loan forgiven upon request.

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Public Service Loan Forgiveness (continued)

- FSA will be updating systems to do the following:
    - ensure qualified borrowers are able to apply
    - track borrower payments and employment to determine eligibility
    - grant forgiveness to eligible borrowers
- Further information will be provided Spring 2012.

Additional Information

Websites

- www.studentaid.ed.gov
  - Will be updated to include resources for borrowers and Public Service employers

- www.studentloans.gov
  - Will continue to serve as the "front door" for PSLF applications
  - Servicers websites will include program information and link to studentloans.gov

- NSLDS Student Access Web Site will be updated to display borrowers' PSLF tracking summary

Department of Education Federal Loan Servicers

- Department of Education Federal Loan Servicers service the loans under the William D. Ford Federal Direct Loan (Direct Loan) Program and Federal Family Education Loan (FFEL) Program loans purchased by the Department under the authority granted the Secretary in the Ensuring Continued Access to Student Loans Act (ECASLA) and through methods commonly referred to as a "PUT."

- Direct Loan Servicing Center continues to service loans.
    - ACS will be transporting all active loans from Direct Loan Servicing System (DLSS) to the new Affiliated Computer Education Services (ACES) platform hosted by Nelnet.
    - This transition will be occurring later this fall.

- Title IV Additional Servicers (TIVAS)
    - FedLoan Servicing (PHEAA),
    - Great Lakes Educational Loan Services, Inc.,
    - Nelnet, and
    - Sallie Mae

Not-For-Profits (NFPs)

- Will provide services similar to TIVAS, but with smaller portfolios
- If a NFP servicer reaches 2 million borrowers, that servicer must meet all TIVAS requirements and will be treated as another TIVAS.
- NFPs will receive transferred loans from the DLSS Direct Loan portfolio

NFPs (continued)

- NFPs will not have an interface to receive Direct Loan Originations, Direct Loan Consolidations, Debt Management Collection System rehabilitated or Total Permanent Disability reinstated loans.

- Phased implementation Schedule:
  - MOHELA 10/11
  - 2 Servicers 01/12
  - 3 Servicers 04/12
  - 3 Servicers 07/12
  - 4 Servicers 10/12
  - 3 Servicers 01/13
  - 3 Servicers 04/13
  - 3 Servicers 07/13

Nelnet Total and Permanent Disability Servicer

- Nelnet Total and Permanent Disability (TPD) Service is the one entity that processes and services all total and permanent disability discharge assignments and referrals for both general (non veterans) and veterans for the Department of Education.

- This work was transitioned from the Conditional Disability and Discharge Tracking System (CDDTS)

- As of July 2011, Nelnet TPD Service began processing veterans total and permanent disability discharge referrals

- Veterans electronic application referrals may be submitted via **www.vetstudentloanassistance.com**

Debt Management Collections System (DMCS)

- DMCS supports all debt recovery including:
  - Default collections
  - Default repayments
  - Discharges, and
  - Financial reporting

- In addition, DMCS works with the 32 Private Collection Agencies (PCAs) contracted by FSA.

DMCS (continued)

- Fall 2011 DMCS is converting from a mainframe-based system to a new platform.

- With this conversion, a borrower will be able to
  - Directly access his/her account information
  - Make payments on-line

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Contact Information

- COD Customer Service/ School Relations – codsupport@acs-inc.com

- CPS – 1- 800-330-5947; CPSSAIG@ed.gov

- TPD – 1- 888-303-7818; disabilityinformation@nelnet.net

- NSLDS Customer Support Center - 1-800-999-8219; nslds@ed.gov

Questions and Answers

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Next Session: Afternoon Keynote

FSA State of the Union

To begin at 1:15PM

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Federal Student Aid
State of the Union

Sue Szabo

Chief Business Operations Officer
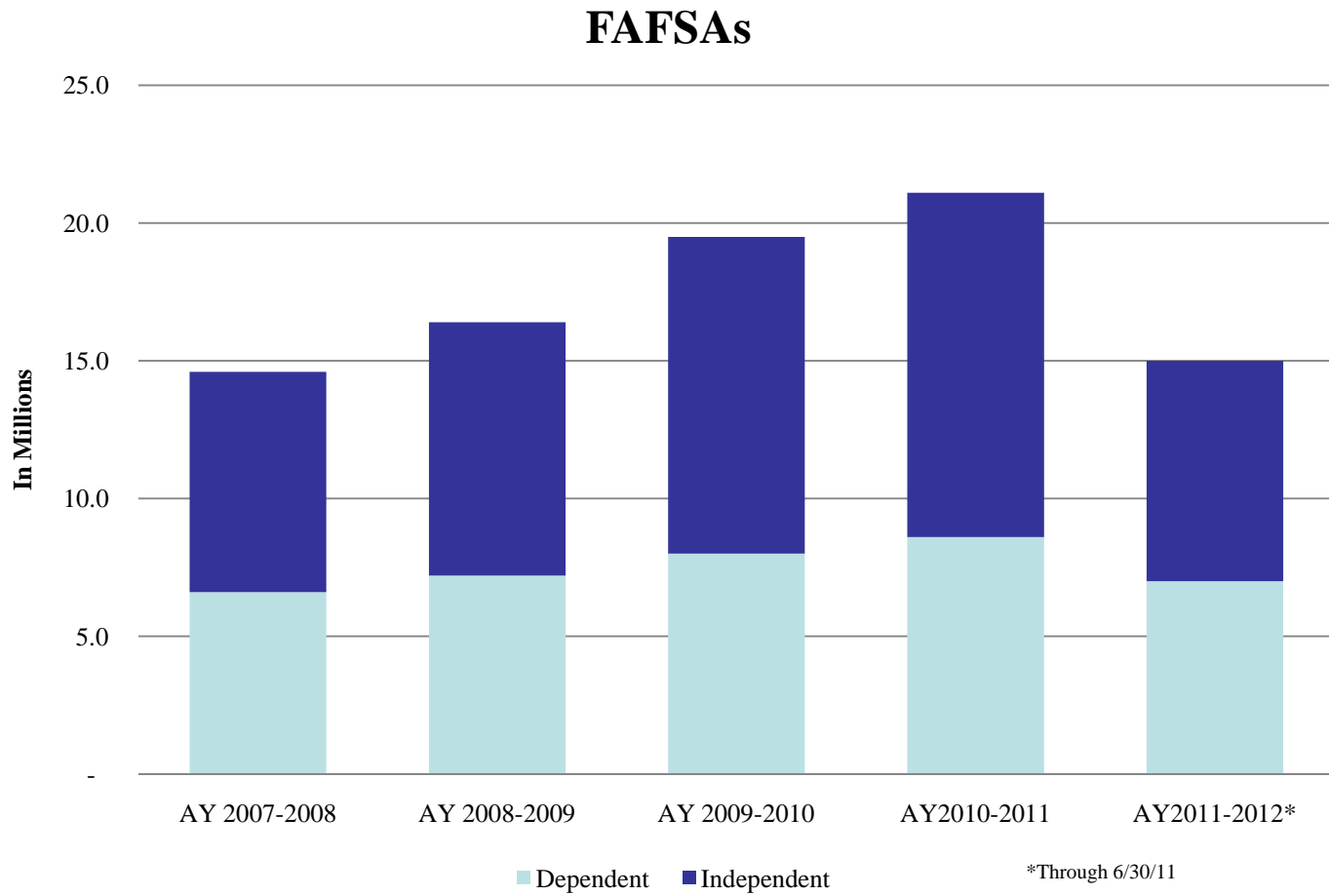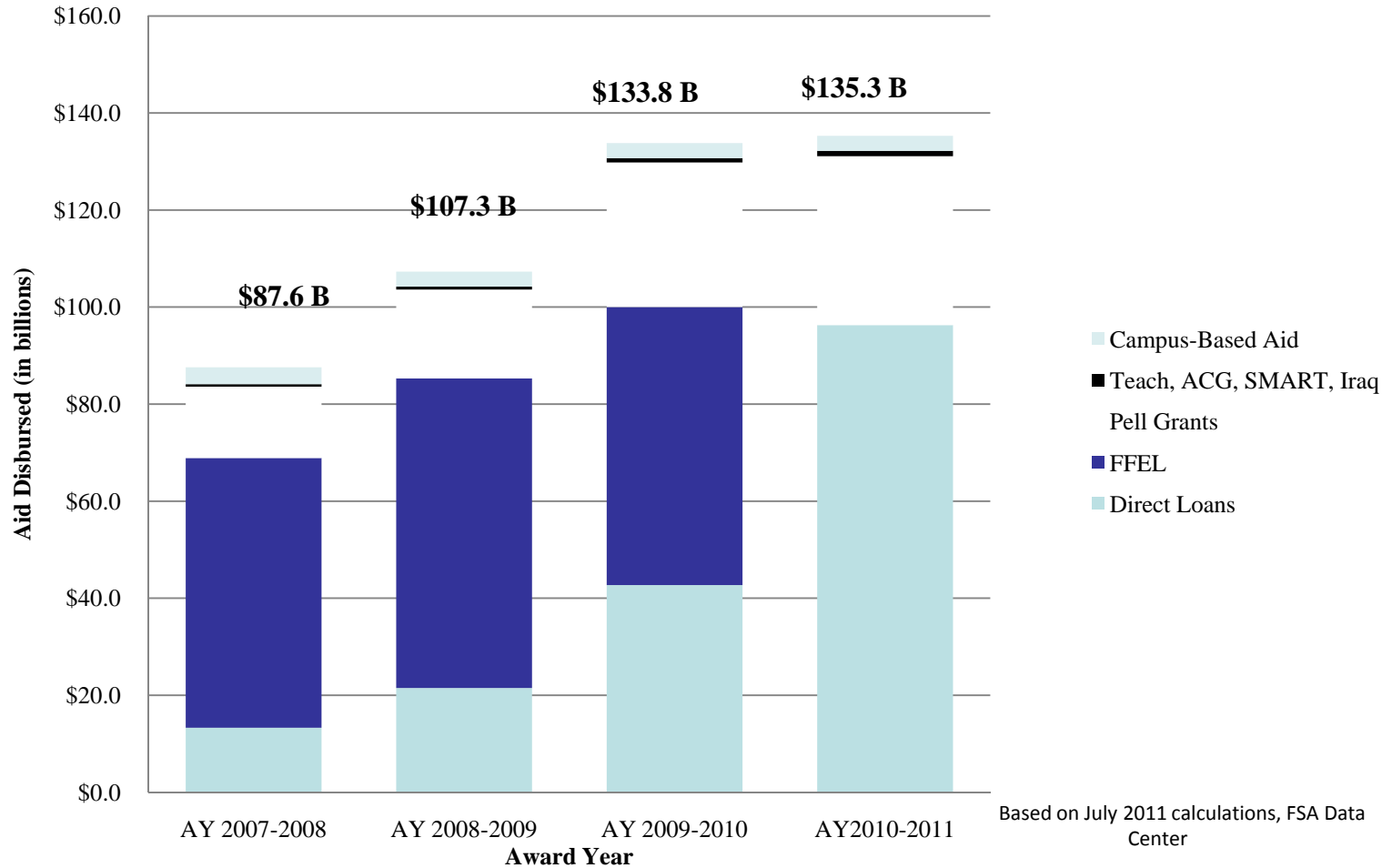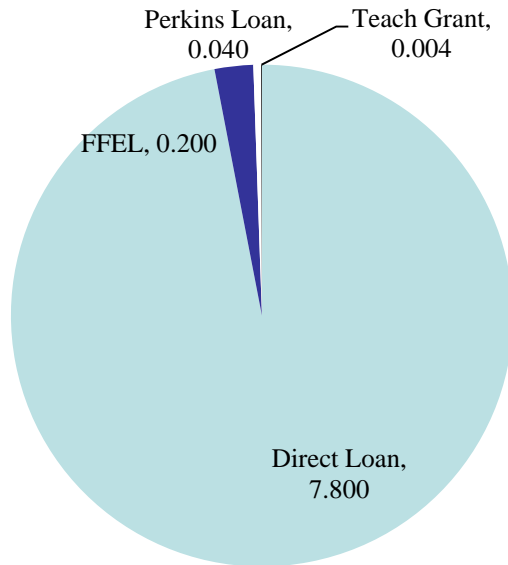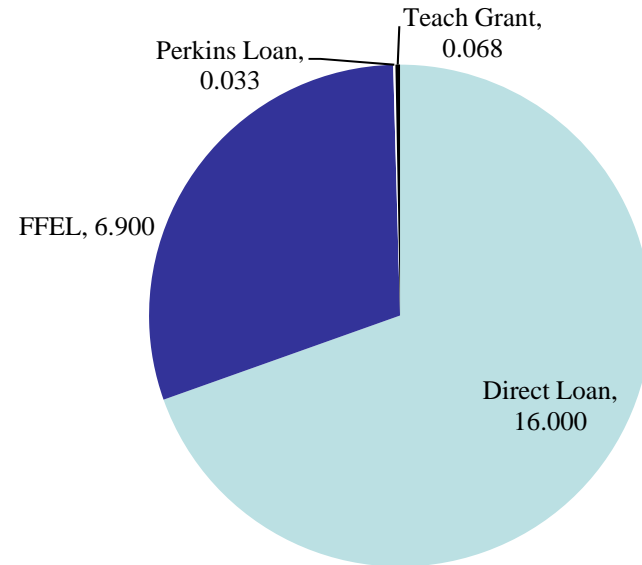
Questions and Answers

Next Session:
Data and Information Protection of PII and Two Factor Authentication

To begin at 1:45PM

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Data and Information Protection of PII and

Two Factor Authentication

Presenters:

Robert Ingwalson and Steven Burke
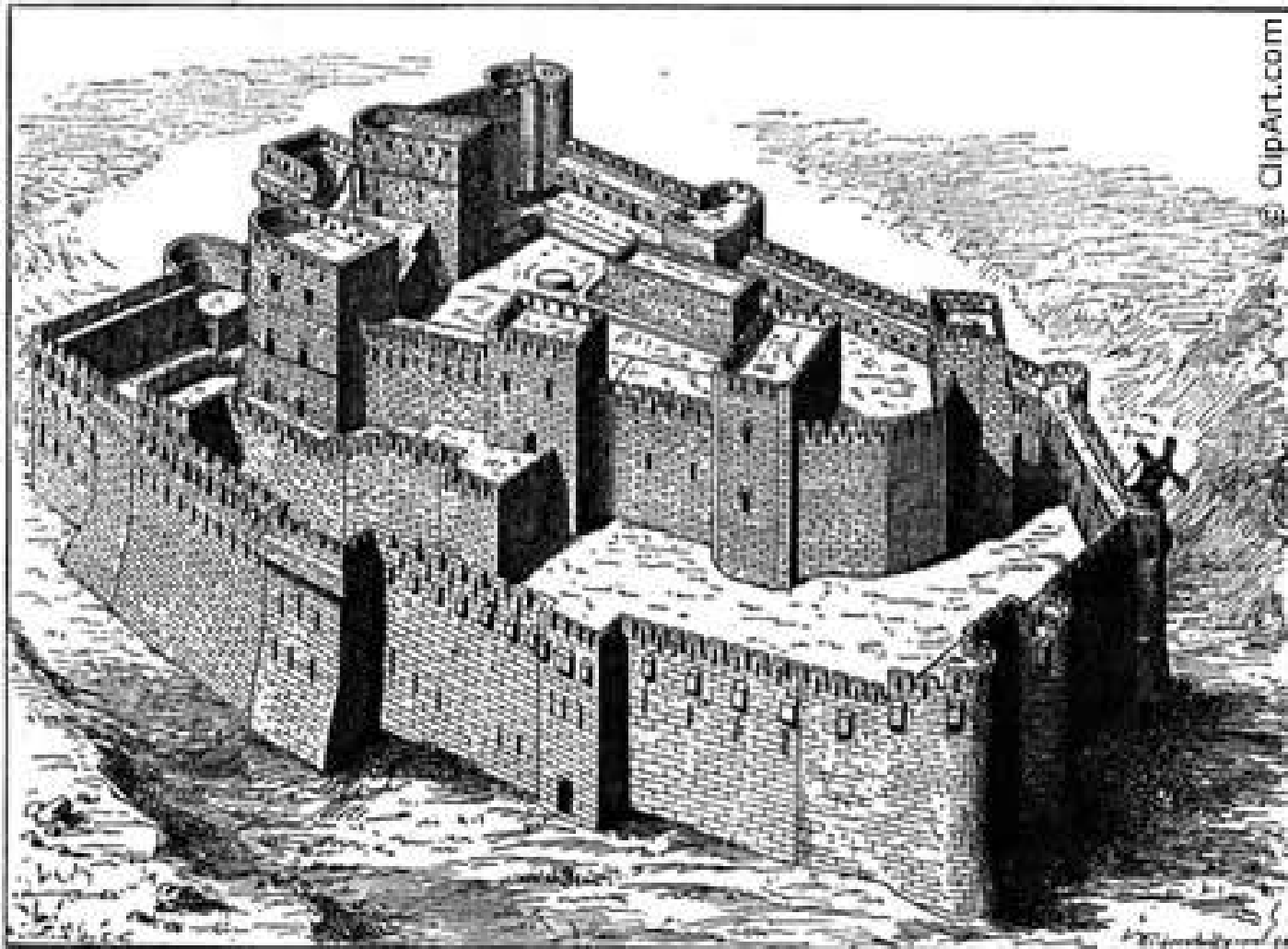
Hospitaller Fortress

Implement Security in Software

- Understand Threats & Consequences

- Review Vulnerability Trends

- Build Mitigating Controls

- **What is sensitive?**

- **Why do we protect?**

- **How do we protect?**

  - Policy

  - Personnel Security

  - Physical Security

  - Network Security

  - Host-based Security

  - Application Security
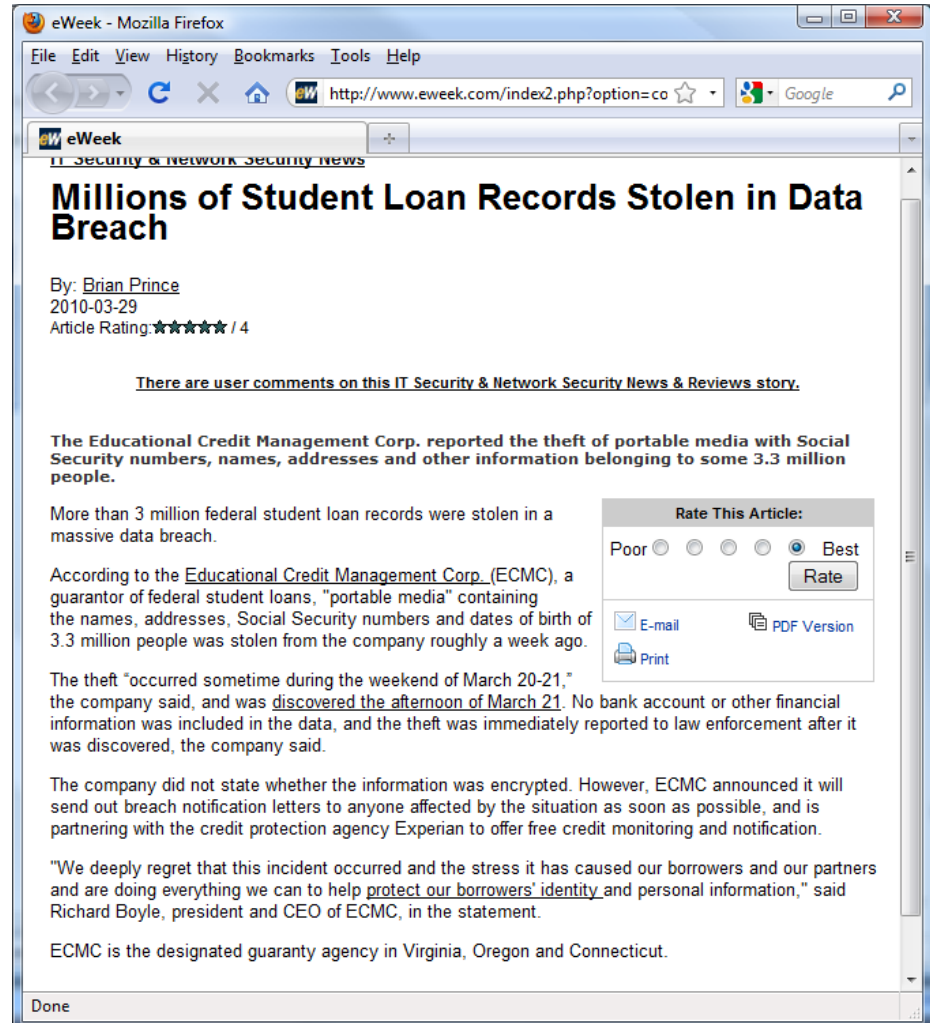
Cost of a Breach

Category	Description	Company A: Low-profile breach in a nonregulated industry	Company B: Low-profile breach in a regulated industry	Company C: High-profile breach in a highly regulated industry
Discovery, notification, and response	Outside legal counsel, mail notification, calls, call center, and discounted product offers	$50	$50	$50
Lost employee productivity	Employees diverted from other tasks	$20	$25	$30
Opportunity costs	Customers churn and difficulty in getting new customers	$20	$50	$100
Regulatory fines	FTC, PCI, SOX	$0	$25	$60
Restitution	Civil courts may ask to put this money aside in case breaches are discovered	$0	$0	$30
Additional security and audit requirements	The security and audit requirements levied as a result of a breach	$0	$5	$10
Other liabilities	Credit card replacement costs, Civil penelties if specific fraud can be traced to the breach.	$0	$0	$25
Total cost per record		$90	$155	$305

Source Forrester Research, Inc.

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Software Development Security

- How do we view software & systems?
  - FISMA, HSPD-7, OMB A-130
  - NIST SP 800-64
    - Security Considerations in the Information System Development Life Cycle
  - NIST SP 800-37
    - Guide for Applying the RMF to Federal Information Systems: A Security Life Cycle Approach
  - NIST SP 800-39
    - Managing Risk from Information Systems
  - NIST SP 800-53 / 800-53A
    - Recommended Security Controls for FIS/Guide for Assessing
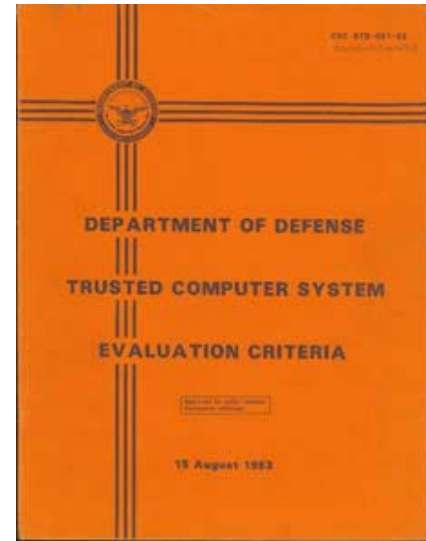
Security Vulnerabilities

- Know Your Vulnerabilities

  - OWASP http://www.owasp.org

  - http://csrc.nist.gov/groups/SMA/fisma/library.html

  - SANS Top Cyber Security Risks (old Top 20)
    http://www.sans.org/top-cyber-security-risks

  - National Vulnerability Database http://nvd.nist.gov

  - US-CERT http://www.us-cert.gov

  - CMMI http://www.sei.cmu.edu/cmmi

A1 - Injection Flaws Injection flaws, particularly SQL injection, are common in web applications. Injection occurs when user-supplied data is sent to an interpreter as part of a command or query. The attacker's hostile data tricks the interpreter into executing unintended commands or changing data.

A2 - Cross Site Scripting (XSS) XSS flaws occur whenever an application takes user supplied data and sends it to a web browser without first validating or encoding that content. XSS allows attackers to execute script in the victim's browser which can hijack user sessions, deface web sites, possibly introduce worms, etc.

A3 - Broken Authentication and Session Management Account credentials and session tokens are often not properly protected. Attackers compromise passwords, keys, or authentication tokens to assume other users' identities.

A4 – Insecure Direct Object References Applications can unintentionally leak information about their configuration, internal workings, or violate privacy through a variety of application problems. Attackers use this weakness to steal sensitive data, or conduct more serious attacks.

A5 - Cross Site Request Forgery (CSRF) A CSRF attack forces a logged-on victim's browser to send a pre-authenticated request to a vulnerable web application, which then forces the victim's browser to perform a hostile action to the benefit of the attacker. CSRF can be as powerful as the web application that it attacks.

A6 – Security Misconfiguration Code vulnerable to remote file inclusion (RFI) allows attackers to include hostile code and data, resulting in devastating attacks, such as total server compromise. Malicious file execution attacks affect PHP, XML and any framework which accepts filenames or files from users.

A7 - Insecure Cryptographic Storage Web applications rarely use cryptographic functions properly to protect data and credentials. Attackers use weakly protected data to conduct identity theft and other crimes, such as credit card fraud.

A8 - Failure to Restrict URL Access Frequently, an application only protects sensitive functionality by preventing the display of links or URLs to unauthorized users. Attackers can use this weakness to access and perform unauthorized operations by accessing those URLs directly. **A9 - Insecure Communications** Applications frequently fail to encrypt network traffic when it is necessary to protect sensitive communications.

A10 - Insecure Direct Object Reference A direct object reference occurs when a developer exposes a reference to an internal implementation object, such as a file, directory, database record, or key, as a URL or form parameter. Attackers can manipulate those references to access other objects without authorization.

- ## Common Problem
  - – Leads to a majority of vulnerabilities
  - – Easy exploitation
- ## Filter Input
- ## Encode Output
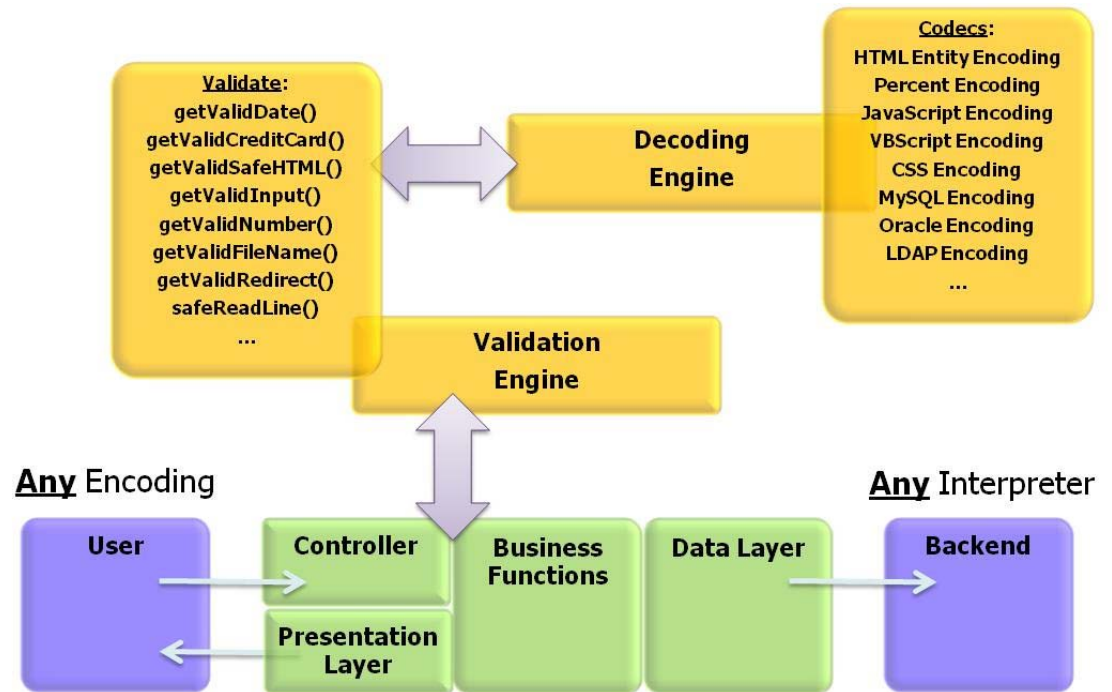
JT Melton, OWASP architecture

- Cross Site Scripting
  - How is it used?
  - Reflected
  - Stored
  - Phishing
  - Spear Phishing

- SQL Injection
  - SQL statements are not strongly typed
  - Reaches far back beyond application layer
  - Parameterization

SQL Injection.

User-Id : srinivas

Password : mypassword

select * from Users where user_id= ' srinivas '
and password = ' mypassword '

User-Id : ' OR 1= 1; /*

Password : */--

select * from Users where user_id= '' OR 1 = 1; /* '
and password = ' */-- '

9lessons.blogspot.com

The Top 20 Most Critical Internet Security Vulnerabilities (Updated) - The Experts Consensus

Top Vulnerabilities in Windows Systems
- W1. Windows Services
- W2. Internet Explorer
- W3. Windows Libraries
- W4. Microsoft Office and Outlook Express
- W5. Windows Configuration Weaknesses

Top Vulnerabilities in Cross-Platform Applications
- C1. Backup Software
- C2. Anti-virus Software
- C3. PHP-based Applications
- C4. Database Software
- C5. File Sharing Applications
- C6. DNS Software
- C7. Media Players
- C8. Instant Messaging Applications
- C9. Mozilla and Firefox Browsers
- C10. Other Cross-platform Applications

Top Vulnerabilities in UNIX Systems
- U1. UNIX Configuration Weaknesses
- U2. Mac OS X

Top Vulnerabilities in Networking Products
- N1. Cisco IOS and non-IOS Products
- N2. Juniper, CheckPoint and Symantec Products
- N3. Cisco Devices Configuration Weaknesses

- Loss of PII

- APT

- Mobile Mistakes

- Code Bugs

- Untrained Users

- Insecure Config

- Keyloggers

The Next Big Threat

IT Decision Makers: What is the next big cybersecurity threat your organization will face?

Data Loss	37%
Evolved Forms of Current Threats	24%
Malicious Attacks	18%
Bots	14%
Don't Know	6%
Other	1%

- Code Mistakes

  - Implement Prevention in Code

  - Thoroughly Test

  - Use Automated Tools

Lack of Security Awareness

- Untrained Users

  - Unawareness compromises data (leading cause)

  - Provide the training

  - Rules of Behavior

  - Annual refresher training

Miss Configuration

- Insecure Configuration Settings
  - NIST, DISA, CIS vs. Business Needs
  - Builds
  - System Upgrades
  - Vulnerability Scans

The Federal Student Aid Secure Configuration Guides are based off the NIST checklist located at <http://checklists.nist.gov/>, which are a result of the National Checklist Program (NCP). The NCP is the U.S. government repository of publicly available security checklists (or benchmarks) that provide detailed low-level guidance on setting the security configuration of operating systems and applications. NCP is migrating its repository of checklists to conform to the Security Content Automation Protocol (SCAP) <http://checklists.nist.gov/scap.cfm>.

USGCB/SCAP enables standards based <http://checklists.nist.gov/tools.cfm> security tools to automatically perform configuration checking using NCP checklists. For this reason, Federal Student Aid will no longer continue to update its Security Configuration Checklist but will instead rely on the NIST checklist. The NIST checklists drawn on sources such as the Defense Information Systems Agency Security Technical Implementation Guides (DISA STIGS) that are frequently updated.

- # Keyloggers

  - ## What is it and how does it exploit a Web Application?

  - ## Some things to do about Keylogger activity

- Train users
- Implement effective Anti-Spyware, Anti-Virus
- Keep patches and versions current
- Firewall
- Network Monitors
- Automatic form filler programs
- Cut and paste
- One-Time Passwords (OTP)
- Smartcards
- Virtual keyboards

Mitigating Control (Virtual Keyboard)

A virtual keyboard is provided on Federal Student Aid's Enterprise Security login page and does not require end users to acquire additional software.

Some of the features of Federal Student Aid's Virtual Keyboard Include:

- Highly effective in evading true "Key Logging"
- Widely used by many financial institutions
- Low cost technology to deploy (even for 50 million users)
- Does not require any new hardware or software on client machines
- Can work in conjunction with the existing keyboard
- Keys can be entered by mouse click or by leaving mouse on the key for 2 seconds
- Virtual keyboard randomly shifts on the screen

- STUXNET
  - APT?
  - SCADA
  - Zero-Day
  - Proliferation

RUGGED METAL CASING
Waterproof
Tamper-Resistant

ALWAYS-ON AES 256-BIT HARDWARE ENCRYPTION

FIPS VALIDATED 140-2 LEVEL 3

PORTABLE APPLICATIONS
Encrypted Backup
Virtual Desktops

ULTRAFAST MEMORY
Dual-channel SLC Flash

IRONKEY
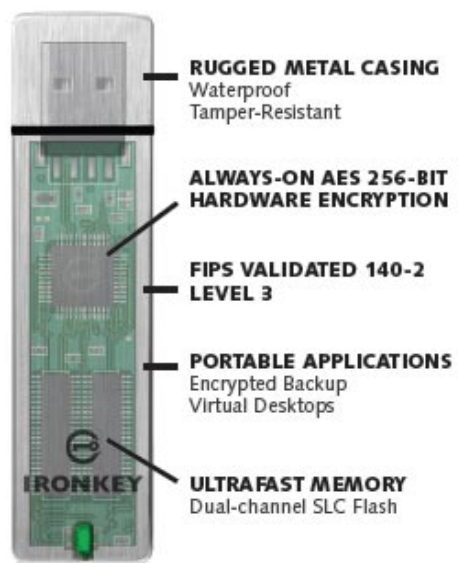
Rootkit.Win32.Stuxnet geography

Number of users
0 - 1,310 | 1,310 - 2,620 | 2,620 - 3,930 | 3,930 - 5,240 | 5,240 - 6,550

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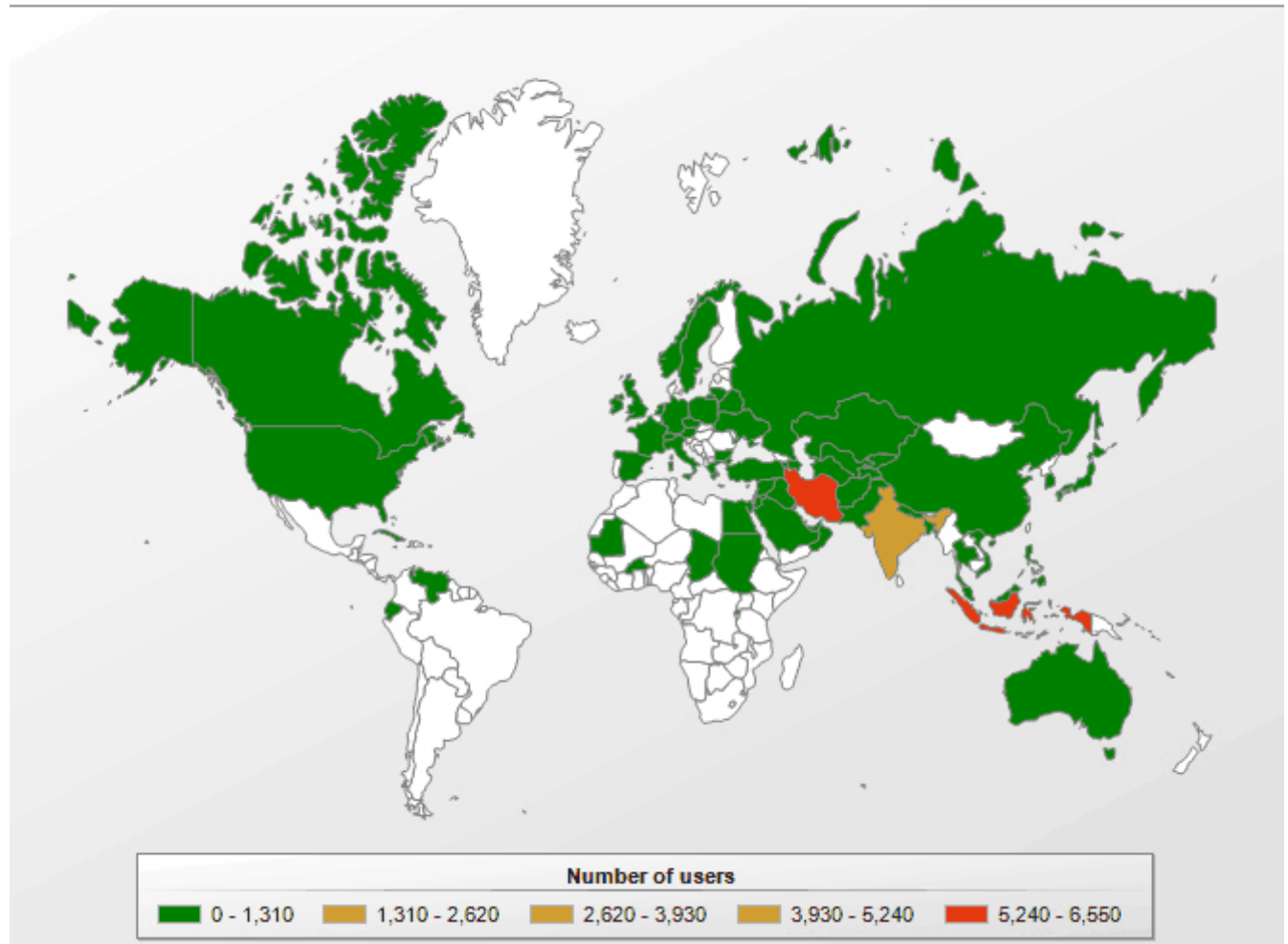
- WSNPOEM
    - Variant of the Banker/InfoStealer/Bancos/Zbot family (identified as PWS-Banker.gen.bw by McAfee, as Infostealer.Banker.C by Symantec, as Trojan-Spy.Win32.Bancos.aam by Kaspersky and as Mal/Zbot-A by Sophos).
    - WinInet interception
    - In-process key-logging

Covert Malicious (WSNPOEM)

- How do we know about it:
  - Since 2004 we have been receiving periodic files from US-CERT
  - Now provided weekly
  - Government wide concern
- Impact:
  - > 22,000 uniqued compromised SSNs
  - > 300 unique compromised userids and passwords
  - Analysis from the raw logs has identified wsnpoem as top threat

Malware	Occurrences
wsnpoem_v2	296475
wsnpoem_v3	394
wsnpoem_v6	15643
wsnpoem_v4	3447
wsnpoem	5019
haxdoor	4888
nethelper	4025
win32agent	3412
fireming	3063
silentbanker_v2	1583
passsickle	264
manda	259
nowhere	217
win32agent_v4	39
urlzone	6
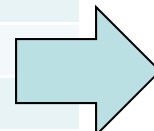
The wsnpoem malware & variants make up **95%** of the incidents captured in the US-CERT files

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- What can be done at the application side?
  - Require Two Factor Authentication
    - Virtual Keyboards, URL encoding, header encryption, shared keys, security questions, and images are all vulnerable to this type of attack.
  - Training and awareness for client side prevention
    - Train those that are accessible
    - Broadcast messages or post warnings on websites
- What can be done at the client side?
  - Use two factor authentication
  - Keep patches and versions current
  - Run reputable security software scans in safe mode

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Contact Information

FSACyberSecurity@ed.gov

Robert Ingwalson
U.S. Department of Education
Federal Student Aid
Technology Office

Questions and Answers

Two Factor Authentication

Two Factor Authentication

Project Overview

To comply with the White House through the United States Office of Management and Budget (OMB) mandate, Memorandum M07-16 attachment 1, and as part of our ongoing efforts to ensure the security of Federal Student Aid data systems, the U.S. Department of Education, is required to implement a security protocol through which all authorized users will enter two forms of "authentication" to access Federal Student Aid systems via the Internet. This process is referred to as Two Factor Authentication (TFA).

Something that you <u>know</u> is the First Factor:
User ID and Password

Something that you <u>have</u> is the Second Factor:
Token with a <u>One</u> <u>Time</u> <u>Password</u>

Two Factor Authentication

Objectives

- This phase of the project encompasses Postsecondary Schools Destination Point Administrators (DPA) and Postsecondary Schools Destination Point Administrators Non-DPA users.

- Provide safe and secure access to FSA network services.

- Enable Two Factor Authentication for all authorized users accessing FSA systems.

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Two Factor Authentication

Project Deployment

- Phase 1 FSA- Citrix users 1,300 completed May 1, 2011.
- Phase 2 Department of Education Staff 5,200 users September 28, 2011.
- Phase 3 International users, Foreign Schools (FS) when logging into FSA systems, estimated 900 users by September 30, 2011.

  Deployment of two-factor tokens to 88,000 users logging into FSA systems by September 30, 2012.

  Catalog privileged users connected to the Virtual Data Center and close back doors to environments through TFA.

Two Factor Authentication

Two Factor Authentication is a process which requires each authorized user to log into FSA systems with two types of information:

Something that you <u>know</u> is the First Factor:
User ID and Password

Something that you <u>have</u> is the Second Factor:
Token with a <u>O</u>ne <u>T</u>ime <u>P</u>assword

❑ The <u>O</u>ne <u>T</u>ime <u>P</u>assword (OTP) will be generated by a small electronic device known as the Token that is in the physical possession of the user.

❑ To generate the OTP, a user will press the "power" button on the front of the token.

❑ A different OTP will be generated each time the button is pressed.

❑ **Alternative Methods of obtaining OTP without TFA Token:**
A) Answer 5 Challenge Questions online
B) Have the OTP sent to your Smart Phone

Two Factor Authentication

When will TFA be deployed ?
- FSA has begun a pilot with select Foreign Schools
- All Foreign School users with CPS FAA Access TFA enabled by September 30, 2011
- TFA token will be required to access the <u>FAA Access to CPS Online Web site</u>.

Which systems will be impacted?
- Starting with Central Processing System <u>FAA Access to CPS Online Web site</u> Phasing in:
    - National Student Loan Data System (NSLDS) enabled by December 2011
    - Common Origination and Disbursement System (COD) enabled by November 2011
    - Student Aid Internet Gateway (SAIG) enabled by February 2012

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Two Factor Authentication

Action Items and Next Steps (Internal)

- Vendor attestation of Developers, Testers and Call Center Associates population.
- FSA to provide tokens to Vendor. Vendor to distribute internally in each organization
- FSA Project Team to provide information on confirmation processes and TFA training.
- Vendor Call Centers Associates (CSRs) are to register tokens.
- Enable Systems

Action Items and Next Steps (External)

- Primary Destination Point Administrator (DPA) will be required to attest the individuals (FAA, Servicers and Guaranty Agencies, etc.) associated with their account and who are working on behalf of their organization.
- FSA Project Team to provide information on confirmation processes and TFA training.

Contact Information

TFA_Communications@ed.gov

Steven A. Burke
U.S. Department of Education
Federal Student Aid
Technology Office

Questions and Answers

Next Session:

National Student Loan Data System (NSLDS)

To begin at 2:15PM

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National Student Loan Data System (NSLDS)

Presenters:

Ron Bennett and Eric Hardy

CPS/ISIR /FAH/TSM

	Component of NSLDS	
Update/Change	CPS/ISIR (Presecreening)*	TSM/FAH Batch File Layouts**
Applicant Last Name field increased to 35 characters	Increases in size (currently 16 characters)	No Impact (existing field already 35 characters)
Pell Lifetime Eligibility Used (LEU) Percent (7 char.)	New field to add	No Impact (existing field)
LEU Limit Flag (1 char.)	New field to add	New field to add
New ED Servicer Codes for NFPs (sent as 3 digit "GA" codes, ranging from 500-529)	To be programmed for new ED Servicer codes as they're added by FSA (new value in existing field)	To be programmed for new ED Servicer codes as they're added by FSA (new value in existing field)

 * Draft 2012-2013 ISIR will provide details

** TSM/FAH Batch File Layouts, typically ready by October 2011 for January, 2012 implementation.

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GE Reporting to NSLDS

- NSLDS will be ready to receive data on September 26, 2011.

- For subsequent years, NSLDS will accept data *throughout the year* for each award year ending June 30.

User Guide
Section 1.3

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GE Reporting to NSLDS

Flexible reporting methods:

Batch

- – SAIG batch file submission - Fixed length or CSV (comma separated value –comma delimited)

Online

- – Formatted Excel file up-loadable from your PC to the NSLDS Professional Access Web site.

- – Data entry direct into the NSLDS Professional Access Web site.

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Setting Up for Batch Reporting

- Make sure a designated person for the institution has NSLDS online access.

- Access NSLDSFAP website and navigate to the GE Enrollment Reporting List page under the Enroll tab.

- A TG Mailbox needs to be identified for use in batch reporting

User Guide
Chapter 3

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Setting Up for Batch Reporting

- TG Mailbox _may_ be:
  - Attached to an individual at the institution.
  - One that your school currently uses for NSLDS batch processes.
  - For a servicer that will be providing the data for your institution.
  - Check with your IT department if you are unsure which TG Mailbox is used for NSLDS batch submittal.

User Guide
Chapter 3

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Setting Up for Batch Reporting

Multiple locations can be setup with the same TG Mailbox.

User Guide Chapter 3

Two different locations with same TG Mailbox

Setting Up Batch for School Servicer

- If a servicer will be used, an individual with NSLDS access from each 6-digit OPEID will need to indicate the servicer's mailbox.

  - For example, Servicer Sue will use mailbox TGA1111 to submit data for 01234500, 02345600, and 03456700.

  - Each institution will need to enter Servicer Sue's mailbox on the GE Reporting List page.

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Instructions for School Servicer

- School Servicers may report for multiple schools in the same submission/file.

  - Header Record Field Code 806 - Institution Code (OPEID) should be populated with "99999999"

  - Detail Record Field Code 007 – Institution Code (OPEID) should be populated with the appropriate OPEID for which is borrower is being reported

  - Trailer Record Field Code 904 – OPEID should be populated with "99999999"

Batch Message Classes

For batch file processing using SAIG

NSLDS Gainful Employment files

Message Class	Description (44 character limitation)
GESFLEIN	Gainful Employment Submittal- Fixed Length
GESCDEIN	Gainful Employment Submittal- Comma Delimited

Note: The SAIG rule for submittal files requires it to end in "IN"

Message Class	Description (44 character limitation)
GERFLEOP	Gainful Employment Response- Fixed Length
GERCDEOP	Gainful Employment Response- Comma Delimited

Note: The SAIG rule for response files requires it to end in "OP"

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Error Submittal File Rules

- Files submitted via batch will receive an Error/Acknowledgement file, normally the next business day.

- If there are errors the file will contain:

  - All records submitted in the associated batch that have errors.

  - Records with errors can have up to five (5) errors per record.

    - If a single record has more than five (5) errors, once the initial five errors have been corrected, and the record resubmitted, any further errors will be returned.

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Correction to GE User Guide

- Page 31 – Field code 806 – *Institution Code*, position end updated to 141
- Page 31 – Field code 807 – *Filler*, position start updated to 142

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Correction to GE User Guide

Detail Record Field Code 022 *Enrolled in Another Program*	Update Optionality to: • *Mandatory/Conditional (M/C)* Insert the following into the Comments: • *Must be 'N' or blank if Program Attendance Status equals 'E'*
Detail Record Field Code 024 *Credential Level of Other Program Program*	Remove the following from the Comments: • If Program Attendance Status equals 'N', populate with spaces. Insert the following into the Comments • If Enrolled in Another Program equals 'N, populate with spaces
Detail Record Field Code 025 *Program Name of Other Program*	Remove the following from the Comments: • If Program Attendance Status equals 'N', populate with spaces. Insert the following into the Comments • If Enrolled in Another Program equals 'N, populate with spaces

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Correction to GE User Guide

Detail Record Field Code 026 *GE Program Indicator of Other Program*	Remove the following from the Comments: • If Program Attendance Status equals 'N', populate with spaces. Insert the following into the Comments • If Enrolled in Another Program equals 'N, populate with spaces
Detail Record Field Code 027 *OPEID of Other Program Institution*	Remove the following from the Comments: • If Program Attendance Status equals 'N', populate with **zeros**. Insert the following into the Comments • If Enrolled in Another Program equals 'N, populate with **spaces**
Detail Record Field Code 028 *Institution Name for Other Program*	Insert the following into the Comments • If Enrolled in Another Program equals 'N, populate with spaces

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On the Horizon: XML

- XML Reporting Interface
  - Gainful Employment
  - Enrollment
- Align to FSA Data Standards
- Community Interested Participants
- Summer 2012 Implementation Goal

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Enrollment Reporting

- Changes for 2012
  - Student Centric – better account for borrowers transferring to different schools
  - Student Access Changes – borrowers will be able to report Enrollment to NSLDS for addition to rosters
  - Lenders/Servicers
    - NSLDS will send enrollment data directly to loan servicers
    - NSLDS will allow loan servicers to report enrollment data on NSLDSFAP

Enrollment Reporting

- Changes for 2012
- Enrollment School Code reported to COD:
  - Will be passed to Federal loan servicers and reported to NSLDS to direct the Enrollment Rosters
  - NSLDS will begin adding Pell Grant recipients to Enrollment Rosters starting with the 2012-2013 Award Year.

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TEACH Exit Counseling

- TEACH Grant Exit Counseling was added to NSLDS on July 25, 2011
  - Student Access web site - TEACH Grant Exit Counseling session added
  - Professional Access web site - Exit Counseling Completion reports

TEACH Exit Counseling

- Detail reports similar to existing Loan Exit Counseling reports

  - New Completion Summary Reports

  - New report delivery options - download from web site via PDF or Excel file

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Loan Exit Counseling

- Changes targeted for late 2011
  - Student Access web site:
    - Quiz format modification to match TEACH Exit - provides correct/incorrect answer indication
  - Professional Access web site - report enhancements to match TEACH Exit:
    - New Completion Summary Reports
    - New report delivery options – download from web site via PDF or Excel file

School Reports

- Changes made already made in 2011
  - Pushed Reports
  - School Portfolio Report
    - New Fields: Current Loan Servicer Code, Rehabilitation/Repurchased Indicator, Rehabilitation/Repurchased Date and Amount Rehabilitated/Repurchased.
    - The total length of the record layout has been expanded from 319 to 400 bytes.
    - Several field descriptions have been clarified to be more descriptive of data populated to that field when a FFEL loan is purchased by ED.

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Upcoming Changes to School Reports

- Delinquent Borrower Report
  - Addition of Consolidation Loans
  - Addition of PLUS Borrower Identifiers
  - Merged School Access
- School Portfolio Report
  - Addition of Consolidation Loans
  - Addition of PLUS Borrower Identifiers
  - Addition of Repayment Plan Information

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Upcoming Changes to School Reports

- Date Entered Repayment Report

  - Addition of Consolidation Loans

- Borrower Default Summary Report

  - Addition of Consolidation Loans

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NSLDS Contact Information

Customer Support Center:

Phone: 800-999-8219

Toll: 785-838-2141

Fax: 785-838-2154

Web: www.nsldsfap.ed.gov

General E-mail: nslds@ed.gov

NSLDS GE Technical Email:
NSLDSGETechSupport@ed.gov

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Questions and Answers

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Afternoon Stretch Break

Next Session:
FAFSA and CPS

To begin at 3:30PM

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Central Processing System (CPS)
And
FAFSA update

Presenters: Ginger Klock and Jody Sears

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2012-2013 CPS Update Agenda

- FAFSA Changes

- Central Processing System (CPS) Changes

- Institutional Student Information Record (ISIR) Changes

- CPS Test System

- Important Dates

- No data element changes

- Minor wording changes to some instructions

- Application materials scheduled for posting in <u>Federal Register</u> in early August

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Changes 2012-2013
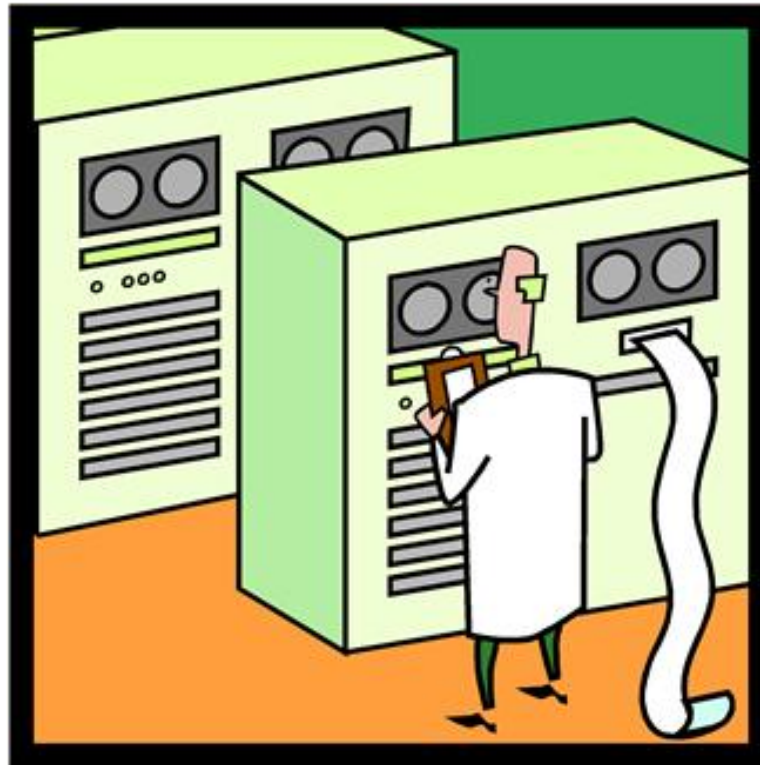
- Students who meet the homeless youth definition criteria, but cannot answer "Yes" to 1 of the 3 homelessness questions, are considered independent

- Students who meet this criteria can use *FAFSA on the Web* so that the Special Circumstances Flag is set to '3' on the ISIR

Homeless Youth Determination

- Currently, FAAs set the Dependency Override Flag to '1' for these students
- FAAs cannot easily distinguish between dependency overrides
  - To update a student's dependency status
  - To confirm a student's homeless youth status

Homeless Youth Determination

- New Dependency Override Flag value of '4' added for 2012-2013

blank	No FAA override
1	FAA override from dependent to independent
2	FAA override canceled
3	FAA override failed
4	FAA homeless youth determination

- **Edit 1017** revised: Application model is Dependent and Dependency Override code is set to 1 or 4

Marital Status Updates

- A regulation change allows an institution, at its discretion, to require an applicant to update his/her marital status
  - If it results in a change in the applicant's dependency status,
  - If the institution determines the update is necessary to address an inequity or
  - To reflect more accurately the applicant's ability to pay.

- Students can use *FAFSA on the Web* to update their marital status after submission of their FAFSA
  - An EFC will not be calculated
  - Reject 21 will be set
  - Only an FAA can override the reject

- ISIRs with Reject 21 set will also have Comment Code 119
- New edits have been added for Reject 21:
  - **Edit 4039: Set Reject Reason 21 if:** Student's Marital Status Date is corrected to date that is greater than application receipt date and less than transaction receipt date
  - **Edit 4040: Suppress Reject Reason 21 if:** Reject 21 override code is set by Financial Aid Administrator

Revised Reject 4—2012-2013

- Currently, CPS sets Reject 4 if the marital status date is before the transaction receipt date

- Reject 4 will be revised to also edit correction records

Reject 4 Edit	
Edit 4038: Set Reject 4 if:	Application Transaction and Student's Marital Status Date is non-blank and greater than the Application Receipt Date OR Correction transaction and Student's Marital Status Date is non-blank and greater than the Transaction Receipt Date

Asset Threshold Question

- Beginning in 2011-2012, independent students and parents of dependent students that meet certain criteria are presented with the asset threshold question to determine if asset net worth must be reported and used in the EFC calculation

- Question displays if the student:
  - Is not eligible for an automatic zero EFC or simplified needs calculation, and
  - Reports a state of legal residence that allows students to skip income and asset questions

- Therefore, in 2011-12, Reject 1 was revised due to new skip logic in FOTW that allowed some applicants to skip asset related questions

  - If the student or parent answered "No" to the Asset Threshold Screening Question, the Asset questions were not presented

  - ISIRs were sent with blank values in the Asset fields without triggering Reject 1

- However, Software developers encountered issues when receiving ISIRs with blank values in the Asset fields where CPS had not triggered the Reject 1 edit

And at the Software Developers Conference, **we heard you**...

- FSA added two new "non-text" comment codes
  - 901: Parent of a dependent student was presented with the asset threshold screening question and answered "No"
  - 902: Independent student was presented with the asset threshold screening question and answered "No"

- New Asset Threshold Exceeded data elements will be reported on the ISIR
  - The new data element fields can be corrected
  - Comment codes 901 and 902 will be eliminated

- **IF:** Asset Threshold Exceeded was answered as 'No' and on a correction transaction the independent student's or parents'
  - marital status is changed or
  - age of the independent student or older parent is changed by 3 or more years,

- **THEN:** CPS will assume the value to be blank for the Asset Threshold Exceeded question and then perform the Reject 1 edits

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Reject 1 Assumption Edits	
Edit 2028--(Dependent) Assume Parents' Asset Threshold Exceeded is blank if:	Parents' Asset Threshold Exceeded carried forward as "No" on a correction transaction, and parents' marital status has changed or age of the older parent changed by 3 or more years
Edit 2045--(Independent) Assume Student's Asset Threshold Exceeded is blank if:	Student's Asset Threshold Exceeded carried forward as "No" on a correction transaction and student's marital status has changed or age of student change by 3 or more years

Auto Zero EFC

- Income Threshold for Automatic Zero EFC increased
  - From $31,000 to $32,000

Social Security Process Change

- On June 25, 2011 the Social Security Administration (SSA) implemented new guidelines for assigning Social Security Numbers (SSNs)

- SSA will begin assigning SSNs in previously unused ranges, including the ranges beginning with '7' or '8'

SSA Process Change Impact

- Does have impact on the application process
- The FSA system(s) had utilized the previously unassigned range for some students (ex. Pacific Islanders) and the application system had also been developed to identify SSN ranges that were not considered valid SSN values (ex. the '7' range of SSNs)

Alert! If you have recently been issued a Social Security Number, you may encounter an error when you try to start your FAFSA. If this occurs, contact the Federal Student Aid Information Center at 1-800-433-3243 for additional instructions on how to complete your FAFSA.

- Pacific Islander students that previously applied for aid were assigned a pseudo '888' SSN by FSA in order to allow them to complete the FAFSA

- These students will be able to continue to use the current processes since they are already in our system

- The process will not change for these students until 10/23/2011

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- On 10/23/2011, CPS will convert all Pacific Islander records
  - from the 2004-2005 cycle through the 2011-2012 cycle to a new pseudo-SSN range starting with '666' (instead of '888')
  - from the 2010-2011 and 2011-2012 cycles (submitted through October), CPS will also system-generate new SAR/ISIR transactions

- Monitor IFAP for final details on this reprocessing

- On June 25th, SSA began to randomly assign a new SSN that begins with '7' or '8'

- Until 10/23/2011, these students:
  - **will not** be able to complete their initial FAFSA, using *FAFSA on the Web*
  - will be directed to complete a paper FAFSA
  - will be able to interact with our system as they normally would, including using *FAFSA on the Web* (still need to have applied for a PIN)

- After June 25th and until 10/23/11, if SSA randomly assigns a new SSN that begins with '888' specifically, these students
  - **will not** be able to complete their initial FAFSA using *FAFSA on the Web*.
  - may be able to submit a paper FAFSA depending on the full SSN assigned
  - should be directed to the Federal Student Aid Information Center (1-800-4FEDAID) for a complete determination of how they should proceed

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2012-13 Institutional Student Information Record (ISIR) Changes

ISIR Record Layout

- **Global Changes**
  - 2012-13 ISIR Record Layout posted in the EDE Technical Reference on July 15, 2011

  - ISIR follows order of questions on the 2012-13 paper FAFSA

  - 2012-13 ISIR record layout record length will not change from 4250

  - Date fields incremented

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- **Modified** – Field #167 – Dependency Override Indicator

    - 1 = FAA Override from dependent to

        independent
    - 2 = FAA Override canceled
    - 3 = FAA Override failed
    - 4 = FAA Homeless Youth Determination
    - Blank = No FAA Override requested

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- **Modified –** Field #175 & 176 – Student/Parent IRS Request Flag
  - New descriptions:
    - Blank = IRS data retrieval was not available (i.e., paper FAFSA, EDE, or FAA Access)
    - 00 = Student/Parent was ineligible to use the IRS Data Retrieval process in FAFSA on the Web and therefore was not presented with the option
    - 01 = Student/Parent was presented with the option to use the IRS Data Retrieval process in FAFSA on the Web and elected to use it but did not transfer IRS data into the FAFSA

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- **Modified –** Field #175 & 176 – Student/Parent IRS Request Flag
  - New descriptions:
    - 02 = IRS data for the Student/Parent was transferred from the IRS and was **not** changed by the user prior to submission of an application or correction
    - 03 = IRS data for the Student/Parent was transferred from the IRS and was changed by the user prior to submission of an application or correction
    - 04 = IRS data for the Student/Parent was transferred from the IRS and was corrected by the user on a subsequent transaction

- **Modified –** Field #175 & 176 – Student/Parent IRS Request Flag
  - New values:
    - 05 = Student/Parent was presented with the option to use the IRS Data Retrieval Tool in FAFSA on the Web, but did not elect to use it
    - 06 = Student/Parent was presented with the option to use the IRS Data Retrieval process, transferred IRS data, and then made a change making them ineligible to use the IRS Data Retrieval process

ISIR Record Layout

- **Added** – Field #177 – Parent Asset Threshold Exceeded
  - 1 = Yes   Asset Threshold Exceeded
  - 2 = No   Asset Threshold Not Exceeded
  - Blank   Asset Threshold Screening Question not displayed

- **Added** – Field #178 – Student Asset Threshold Exceeded
  - 1 = Yes   Asset Threshold Exceeded
  - 2 = No   Asset Threshold Not Exceeded
  - Blank   Asset Threshold Screening Question not displayed

- **Added** – Field #198 – Reject Override 21
  - 1 = Yes
  - Blank

- **Added** – Field #250 & 262 – Assumed Asset Threshold Exceeded (Student/Parent, respectively)
  - Y = Assumed blank
  - Blank = No assumption

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- 2011-2012 FAFSA Submission Guidance for Students Impacted by New SSA Guidelines

- http://ifap.ed.gov/eannouncements/070811FAFSAGuidanceStudentsSSAGuidelines1112.html
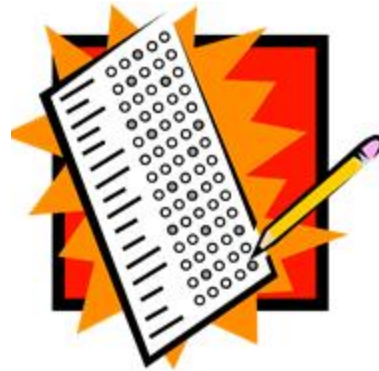
CPS Test System

2012-2013 CPS Test System

- Draft Application Processing Software Developers Specifications posted on August 12, 2011

- Updates will be provided, as needed

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- Mechanism for you to confirm that your system –
  - Meets specifications for interfacing with CPS
  - Is calculating correct results

- Allows you to –
  - Test applications and corrections
  - Receive ISIR data

2012-2013 CPS Test System

- Available December 12th and remains available through the end of the processing cycle

- User Guide will be posted to Federal Student Aid Download Web site (FSAdownload.ed.gov) on October 13, 2011

- An Electronic Announcement will be posted when the test system goes live

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2012-2013 CPS Test System

- Test files will be available at FSAdownload.ed.gov

- Separate input and output files will be posted for testing specifications

- **Remember -** CPS is still in test until FSA accepts the system and production starts on January 2, 2012

Important Dates

Important Dates

- August 3, 2011
  - *2012-2013 Electronic Data Exchange (EDE) Technical Reference* draft (including the ISIR Record Layout and ISIR Cross-Reference)

- August 12, 2011
  - *2012-2013 Application Processing System Specifications for Software Developers*

- October 13, 2011
  - *2012-2013 EFC Formula Guide on the IFAP Web site,* pending final 2011 IRS tax legislation

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Important Dates

- October 13, 2011
  - **2012-2013 *CPS Test System User Guide***

- October 25, 2011
  - ***2012-2013 Electronic Data Exchange (EDE) Technical Reference***

- October 27, 2011
  - ***2012-2013 SAR Comment Codes and Text***

Important Dates

- October 28, 2011
  - *2012-2013 ISIR Guide* on the IFAP

- December 12, 2011
  - The CPS Test System is made available

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Important Dates

- January 1, 2012
  - 2012-2013 *FAFSA on the Web* site is available to students and 2012-2013 FAA Access to CPS Online Web site

- January 2, 2012
  - The 2012-2013 CPS begins processing

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We appreciate your feedback and comments. We can be reached at:

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Questions and Answers

Next Session:
Mandatory Contract Requirements

To begin at 4:15PM

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Mandatory Contract Requirements

(MCR)

Presenters: Consuela Ginn/Jim Robins

- By establishing clear and consistent IT standards, Federal Student Aid's goal is to provide clear IT requirements and expectations of vendors, and prospective vendors, beginning with the proposal and bidding process through contract execution.

- Effective governance and oversight is imperative to ensure successful execution of contractual requirements which affect a number of large scale-IT systems to support its mission operations.

- The Technology Office governs its technology services and assets through a set of Federal Student Aid Policies, Guidelines, Procedures, and Tools. The term "IT Standards" collectively refers to all of these subject areas.

- The Mandatory Contract Requirements document will establish consistent language for use in all IT contracts and is a starting point for selecting the IT Standards that will be applicable to each individual contract.

- The Technology Office in conjunction with the Acquisitions Office will ensure all solicitation documents and resultant contracts cite the appropriate IT standards.

- The IT Standards are supplemental to the governing Federal laws and regulations and Department of Education policies for IT.

- All contractors will be responsible for complying with the IT Standards, as specifically cited in the solicitation and awarded contract.

- The Technology Office is creating a "Concept of Operations" (CONOPS) that will describe its operational approach, support services and functional capabilities for each service group. Those doing business with Federal Student Aid should clearly understand the CONOPS to be most effective in their contractual role.

- The CONOPS will also identify those internal operational processes the Technology Office uses for managing its IT services and products. Part of the responsibility in working with Federal Student Aid will include staying abreast of these processes, and delivering outcomes in a way that ensures alignment with them.

- The Mandatory Contract Requirements and associated IT Standards will be consistent with the CONOPS to segment the contractual needs of the Technology Office into clear operational areas.

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- The Technology Office may have upwards of 150 IT Standards. The standards fall under several key areas:

  - Mandatory Contract Requirements – This area will focus on the contract requirements specific to all IT contracts and contains the top level groupings. i.e. Target State Vision

  - Security – This area will focus on the protection of the Government's data and public's information. i.e. FSA VPN Guideline

  - Lifecycle Management Methodology Standards – This area will focus on Federal Student Aid's (FSA) project delivery and governance methodology. i.e. Master Test Plan

  - Accompanying Standards – These are additional standards that may be cross-referenced within other standards above or fall within a distinct area that stands on its own. i.e. Technical Standards and Products Guide

- Federal Student Aid is continuously updating Federal Student Aid's "Doing Business With Us" website to add most up-to-date IT Standards.

- The next release of the website will include the Mandatory Contract Requirements and IT Standards.

- Website for current standards (not updated with MCR):

    federalstudentaid.ed.gov/business/library.html

- Updates to the MCR Online Standards library will be posted in Q1 of FY 2012.

Questions and Answers

Richard J. Gordon

Chief Information Officer

Federal Student Aid

U.S. Department of Education

Subject: Software Developers Conference Questions and Answers

Start Time: Wednesday, August 31, 2011 9:00:00 AM GMT-4:00PM

Q Is the Department of Education going to stop using SSN as the key identifier for the applicants, and stop using it as the header identifier in batch records?
A At this point there are no plans to stop using SSN as the key identifier for COD processing.

Q Will COD be in 1 phase or 2 phases for 2013?
A Currently, there are 2 releases planned for 2012-2013 award year. March 2012 and July 1, 2012.

Q When a PLUS borrower has an endorser on a loan and the MPN is inactivated for future disbursements, will there be something on www.studentloans.gov that informs a PLUS borrower that www.studentloans.gov still indicates they have an MPN on file.
A No, there are no plans for this to be added during the 12-13 award year. I have added to our enhancement list to be considered for future changes to Studentloans.gov.

Q We already use a token. Will the DOE issue their own token card to us to use on FSA and NSLDS websites?
A There will be a separate token issued that is associated with FSA systems.

Q Is FSA planning on requiring its external vendors, suppliers of software to schools to also require 2 Factor-Authentication?
A Yes, all privileged user that have access to FSA systems. This project encompasses all privileged users. Privileged user is anyone who can see more than just their personal data.

Q With Two Factor Authentication is there a goal to ultimately require school users to use a token to access data (via Ed Connect)?
A Yes, all privileged user that have access to FSA systems. This project encompasses all privileged users. Privileged user is anyone who can see more than just their personal data.

Q How will the FSA conference in November be different than this one today?
A Primary focus in November will be on the protection of PII data.

Q Will the identifier changes when matching student population to SSA be made through a web form? How will the school be notified of discrepancies?
A Schools will be notified of identifier changes via the current Name/DOB/SSN change report, which is available through COD. Since some institutions may have this report currently turned off however They've elected not to receive it via SAIG distribution), COD Customer Service will be reaching out to those to notify them in the event they have some impacted student records.

Q Regarding security, some data submissions are allowed to be in Excel spread sheets. Will these be scanned for potential embedded malicious scripts before being opened?

A Yes, I believe they are already being scanned. We have data protection on both the inbound and out bound side of scanning e-mails coming in or even (FTC) for that matter.

Q When you stated that school systems that PROCESS Federal data must be FISMA compliant, would that also include the systems or networks that a school uses to ACCESS Federal data or is it limited to the areas that actually store the data related to a student?

A When we say FISMA compliant, we are saying that the systems (and system components) used to process, store, or transmit federal data on behalf of the FSA need adequate controls to secure that information. Those controls must meet the minimum requirements identified in the standards and guides provided by NIST (National Institute of Standards and Technology), which use is mandated under FISMA (Federal Information Security Management Act).

Again, this includes all components used to process, store, or transmit federal data. It does not include school system components that do not process, store, or transmit federal data.

Q Did I hear correctly that the private loans and student finance plans are only reported for completers?

A Yes, that is correct. Information about private loans received by a student who was enrolled in a Gainful Employment Program is only provided if the student completed or withdrew from the program.

Q Jeff mentions that the Department of ED will send out a list of students and schools are to confirm. How will this be sent and how can they make corrections to this data? It appears that this has not been defined yet so that we can 1. Accept the data into our systems and 2. Provide a method for schools to correct and send the data electronically via batch.

A As noted, the details of this process, including file layouts, etc., are still being developed. However, it is expected that these files will be provided to schools using the SAIG Network and mailboxes. NOTE that since the first rates that the department calculates are INFORMATIONAL ONLY, these files will not be provided to schools until sometime in the summer of 2012.

Q Will the rates be public for prospective students to view before enrolling in a program?

A Once, official rates are calculated and published, schools will be required to post them on their websites. In addition, it is expected that the department will establish a web site where the public, including prospective students can view the rates of schools they are interested in.

Q If a student makes a payment while in school, that is applied to the principal balance of the loan, does it count toward the reduction of principal balance by $1.00?

A Since the COHORT for the repayment rate are students whose loans entered repayment two to four years earlier, any payments made while the student was still enrolled would not be counted or relevant.

Q Private Loans and Institution Financing are reported for Completers and Withdraws. That is what the user guide says, but you just stated Completers?

A Error on my part, it is for both students who completed the program and who withdrew from the program.

Q My understanding was that the reporting institution's OPEID was reported in the Header and Trailer and each individual detail record would report the OPEID of the campus that the student attended at the record level. Also you mention that servicers can report for multiple schools. Is this also true for an institution that controls multiple institutions? In other words, does the file limit schools for reporting just multiple campuses that share the first six digits of the OPEID or can an institution that has multiple schools under common ownership report all schools and campuses in one file, i.e. or is it the OPEID or the TG number that determines which schools and campuses get reported?

A Yes, you can. If you want to report them all in the same file, all you need to do is register one. The location from which, you will be sending the file via the Gainful Employment Enrollment List page on the Web site, or if you want to do it for multiple, then of course as I mentioned, you would list out multiple locations on that Web page.

Q The enrollment reporting of OPEID information by COD in disbursement files was a "maybe" by COD at NASFAA. Is it now a definite since you said that during this presentation?

A Yes, it is a definite.

Q When you include the consolidation loans in the delinquency file, will you include the cohort year of the underlying loans in the file?

A We do not specify the cohort year on the underlying loans specifically, but we will include the Date Entered Repayment, which the school can then use to determine the appropriate cohort year. The School Portfolio Report is generated based on options selected by the school. In order to receive both the underlying loan as well as the consolidation loan, I would suggest that schools run the report with the option to allow for all loan statuses. And then schools will be able to mix and match and slice and dice to retrieve the loans as appropriate.